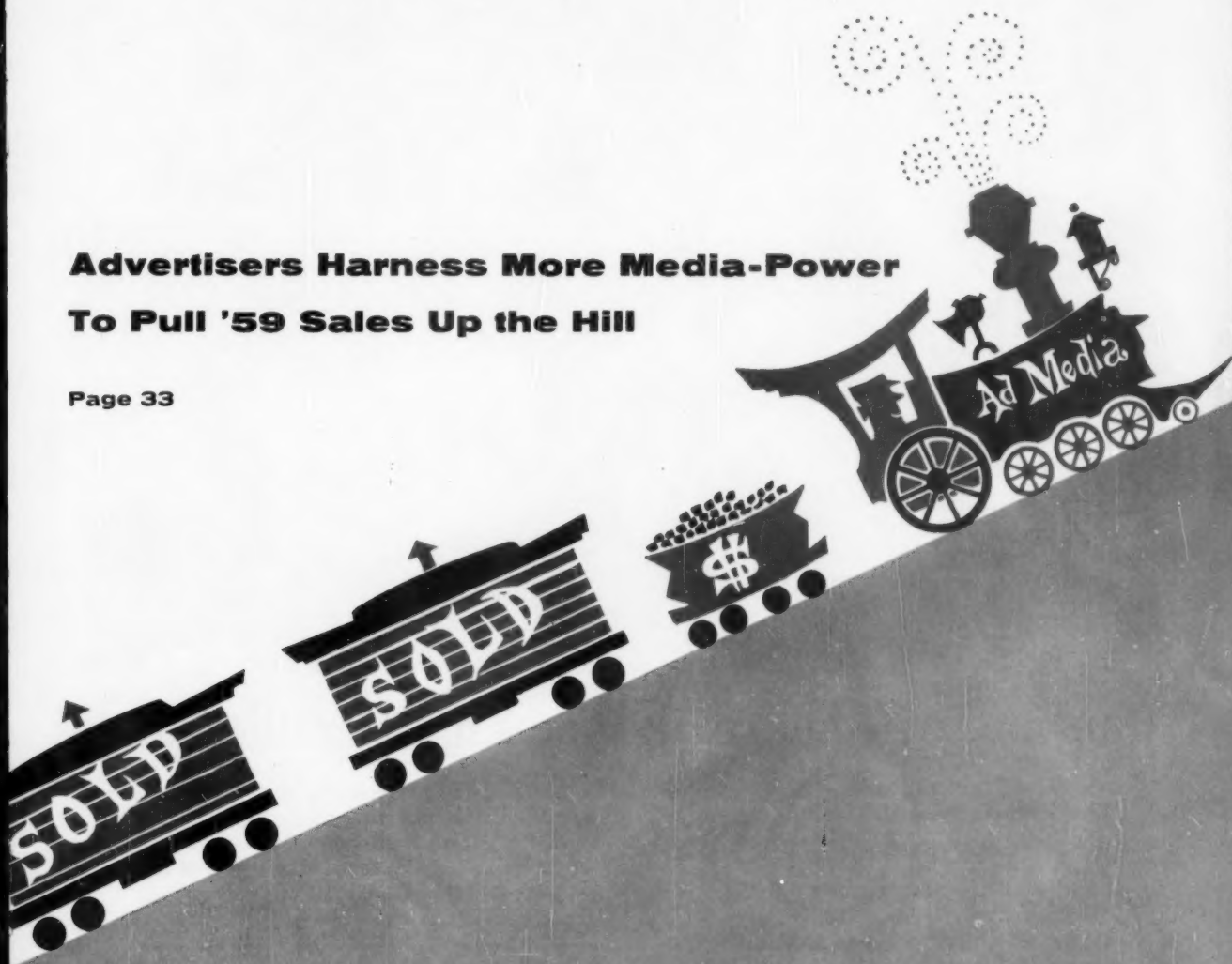


Sales Management

THE MAGAZINE OF MARKETING

**Advertisers Harness More Media-Power
To Pull '59 Sales Up the Hill**

Page 33



Marketing in Moscow
Page 36

Can't Keep Your Best Salesmen?
Page 40



Can your wife help make you a multi-millionaire?

Dozens of American men have made over 10 million dollars in the last 20 years...*from scratch.*

How did they do it? You might ask your wife.

Because, this month, over 5,700,000* American women will be reading Vance Packard's fascinating article, "How to Make a Fortune—New Style" in Ladies' Home Journal! And several million American husbands will be hearing the fortune-building formulas of such men as Stephen Masters...William Lear...Charles Revson...and many others, at the dinner table.

Editing like this—knowing that women are interested in *everything* from how to make an elegant buffet supper to how men make money — is what we call Journalpower. It's what has made Ladies' Home Journal No. 1 with women ...and with advertisers to women.

Ladies' Home Journal closed February with 36% gain in advertising revenue over last year a gain of 14,115 lines...the biggest February in Journal history!

Never underestimate the power of a woman...nor the womanpower of the No. 1 magazine for women

Ladies' Home JOURNAL

A CURTIS PUBLICATION

*Publisher's Estimate



If you're playing for keeps... play where there are the most marbles!

You're bound to win with General Outdoor. With GOA you can be sure of getting the outdoor advertising coverage and penetration that sells most effectively.

GOA'S ability to help deliver customers is a result of facilities—large plant size—a sufficient number of pan-

els to provide you a poster showing with proper distribution and without competitive product duplication.

To find out how GOA can put extra effort, extra impact—extra depth behind your Outdoor campaign, just call your General Outdoor Advertising office or write to us in Chicago.



Covers 1700 Leading Cities and Towns

General Outdoor Advertising Co.

515 South Loomis Street, Chicago 7, Illinois

**LARGEST
CIRCULATION
IN
TEXAS!**

**BOTH
DAILY
AND
SUNDAY**

**FORT WORTH
STAR-TELEGRAM**

DAILY
(Morning and Evening
Combined)

254,038

SUNDAY

225,297

Source:

ABC Audit Report March 31, 1958

IT TAKES A FORT WORTH NEWSPAPER
TO COVER THE FORT WORTH MARKET
... 99 WEALTHY WEST
TEXAS COUNTIES WITH
OVER 25% OF TOTAL STATE
INCOME ... OVER 25% OF
TOTAL SALES!



AMON G. CARTER, JR.
President and National Advertising Director
LARGEST CIRCULATION IN TEXAS
without the use of schemes, premiums
or contests
"Just a good newspaper"

Sales Management

THE MAGAZINE OF MARKETING

PART 1 OF 2 PARTS

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HIGHLIGHTS

ADVERTISERS HARNESS MORE MEDIA-POWER

"Advertising volume in 1959 will follow, and increasingly lead, the rising economy." That's Sales Management's prediction, based on Senior Editor Mike Hughes' telegraph survey of space bookings for 1959. Orders already generally exceed those of a year ago—and should increase even more.

Page 33

MARKETING IN MOSCOW

"Why is there a lack of will to trade with the Soviet Union?" Michail Romanovitch Kuzmin, Deputy Foreign Trade Minister, put that question to Sales Management's Managing Editor John H. Caldwell last month in Moscow. Here you'll read other Kuzmin questions, and find out what the Soviet Union wants in the way of trade, and why Ivan will soon have to learn to sell.

Page 36

IF YOU CAN'T KEEP YOUR BEST SALESMEN—

—are you sure you know why? Wallace Johnson, president of Up-Right Scaffolds, tells why good men too often seek greener pastures. But more important, he tells you what you and your company must do if you want to hold them.

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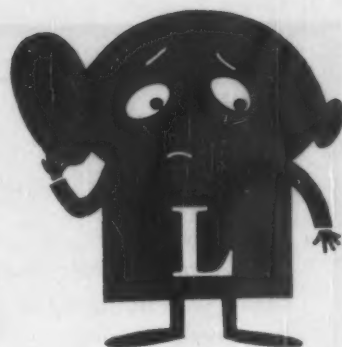
BLIND SPOT IN ANNUAL REPORTS

Most of those who share in your enterprise know that sales, not production, make profits. But the majority of publicly owned corporations apparently believe stockholders "are not much interested" in their sales efforts. Of the top five advertisers in '57, only one reported on its marketing program. The one: General Foods Corp.

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DEPARTMENTS AND SERVICES

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"L" is a Layman,
Outside of our "biz."
Our terms are confusing
Alongside of his.

It's true. The advertising profession has terminology that's as confusing to the layman as medical phrases are to most of us. Cumes, cost per M and average aud. mean nothing to him.

Furthermore, all the layman knows about media selection comes through preference: whether specific media meet his own individual tastes.

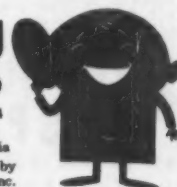
For more than 36 years, KHJ Radio, Los Angeles, has been programming with an eye toward satisfying those tastes. We believe that complete penetration of any market can only be achieved through penetration of each individual mind.

To that end, KHJ's FOREGROUND SOUND features news, commentary, sports, drama, discussion, variety and quiz programs designed to hold the layman's attention not only during the program but through the commercials within and around it.

Never underestimate the variety of the laymen's tastes in Greater Los Angeles. Here is a medium programmed to satisfy them all.

**KHJ
RADIO**

LOS ANGELES
1315 North Vine Street
Hollywood 28, California
Represented nationally by
H-R Representatives, Inc.



Plant Hospital Sales Ideas at Planning Time

When hospital administrators and others with authority to buy need planning guides, they get their facts and figures from **HOSPITALS' Guide Issue**, the one authoritative planning reference.



Plan Now

to tell your product story where it influences hospital buyers for 12 full months . . . in **HOSPITALS' Two Part Guide Issue**. Publishing Date, August 1st. Closing Date, June 1.

HOSPITALS

SM

Journal of the American Hospital Association
840 North Lake Shore Drive
Chicago 11, Illinois

Please send details on HOSPITALS' 1959 Guide Issue:

- ☐ Display Advertising
☐ Classified Product Listings

Name _____ Title _____

Company _____

Principal Product _____

Street _____

City _____ State _____



HOSPITALS

840 No. Lake Shore Dr., Chicago 11, Ill.
Journal of the American Hospital Association

Sales Management

EXECUTIVE OFFICES: 630 Third Ave., New York 17, N. Y., YUkon 6-4800

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U. S. and Canada: \$10 a year • Foreign: \$15

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Bill Brothers Publications in MARKETING (In addition to Sales Management): Sales Meetings, Tide, Premium Practice. INDUSTRIAL: Rubber World, Plastics Technology. MERCHANDISING: Fast Food, Floor Covering Profits and Tires-TBA Merchandising.

ADVERTISING SALES—Offices and personnel listed in Advertisers' Index



Audit
Bureau
of
Circulations



Associated
Business
Publications



National
Business
Publications



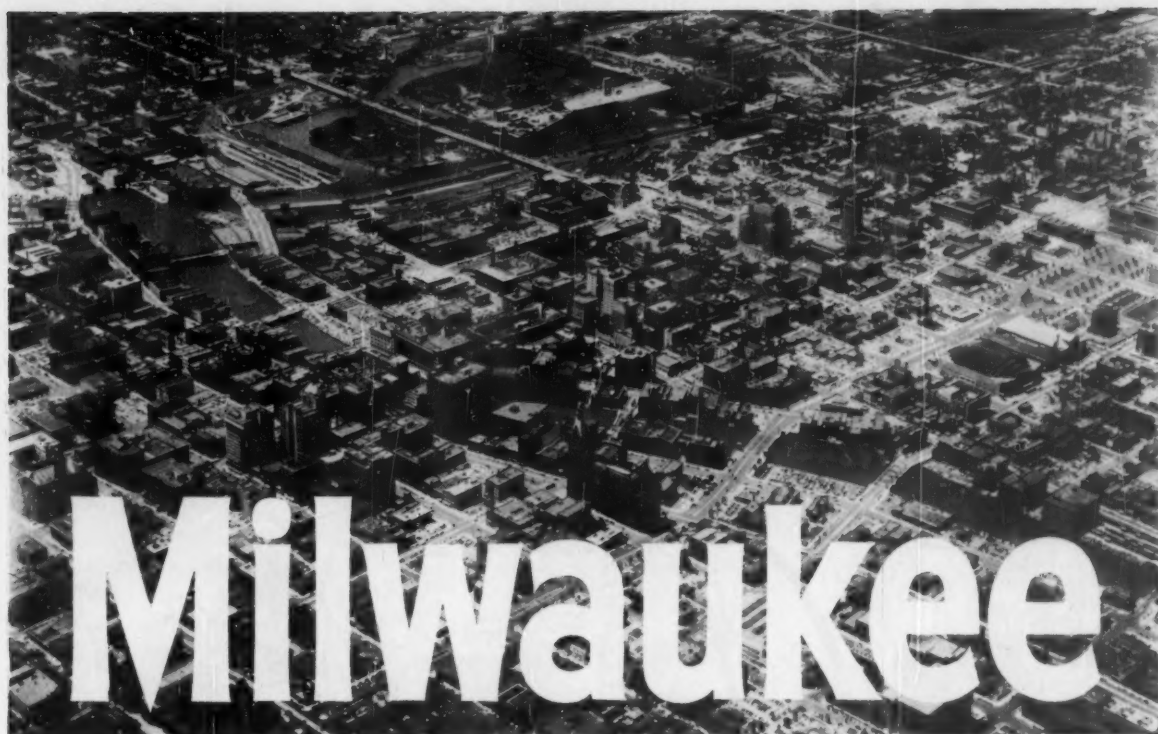
Magazine
Publishers
Association

SALES MANAGEMENT, with which is incorporated PROGRESS, is published the first and third Friday of every month, except in May, July, September and November when a third issue is published on the tenth of the month. Affiliated with Bill Brothers Publishing Corp. Entered as second class matter May 27, 1962, at the Post Office, East Stroudsburg, Pa., under the act of March 3, 1879. Publication (printing) offices, 34 North Crystal St., East Stroudsburg, Pa. Address mail to 630 Third Avenue, New York 17, N. Y.

SALES MEETINGS, Part II of Sales Management, is issued six times a year—in January, March, May, July, September and November. Editorial and production office: 1212 Chestnut Street, Philadelphia 7, Pa. WAlnut 3-1788; Philip Harrison, Publisher; Robert Letwin, Editor.

Copyright, Sales Management, Inc., 1959

SALES MANAGEMENT



...your 7th largest newspaper market
— a market of better income families

In only *six* cities can you reach as many families with ONE daily newspaper as in THE JOURNAL in Milwaukee. In *none* of these can you get the economical *one-paper* coverage of 9 out of 10 homes provided by THE JOURNAL in the Milwaukee metropolitan area. And only *four* exceed Milwaukee in average family income.

THE MILWAUKEE JOURNAL

*All-time high circulation—370,647 daily, 500,424 Sunday
National Representatives, O'Mara & Ormsbee, Inc.*

Better Customers for 1959

—how Milwaukee ranks among the
20 largest metropolitan areas

Median Family Income (Bureau of Census).....	5th
% Spending Unit Incomes Over \$4,000.....	3rd
% Spending Unit Incomes Over \$7,000.....	6th
Median Value of Single Dwelling Units.....	4th
Retail Store Sales* per Family.....	2nd
Food Store Sales per Family.....	5th
General Mdse. Store Sales* per Family.....	4th
Automotive Sales per Family.....	6th

*Excluding mail order and other non-store sales.
Sources: Bureau of the Census, Sales Management Survey of Buying Power, SRDS Consumer Markets

Measured by size of audience, economy of coverage, income and buying habits, Milwaukee easily rates among your top 10 newspaper markets



In Philadelphia nearly everybody reads The Bulletin

The Evening and Sunday Bulletin, Philadelphia

ADVERTISING OFFICES: Philadelphia • New York • Chicago

REPRESENTATIVES: Sawyer Ferguson Walker Company in Detroit • Atlanta • Los Angeles • San Francisco

FLORIDA RESORTS: The Leonard Company • Miami Beach

Russians Are in Our Lives

You may not have any desire to trade with the Soviet Union but it would be unwise to ignore the U. S. S. R.'s current foreign trade moves.

While it is true that the Soviet Union has a shortage at home of almost every kind of industrial or consumer product, that country has embarked on an aggressive campaign to trade with all nations, including the United States.

You would find the quality and styling of many Soviet consumer products, for example, not to American tastes. But the Russians are not asking your preferences. They are trying to find ways to make attractive economic deals. No American gives up because consumers may not take to his style; he presses on and sells to the best of his ability what he has to offer.

"Preparing the Company for Soviet Trade Strategy in World Markets" was the subject last November of an American Management Association briefing session. The reports made at this session are well worth studying.

Respected A. O. Smith Corp., Milwaukee, is running advertisements in national publications on the competitive threat to America of the Soviet Union.

The editors of The Iron Age and of Steel, in their first-of-the-year analyses, call attention to the strides the Soviet steel industry has made in recent years.

Turn to page 36 for a first-hand report on "Marketing in Moscow" and learn the gripes of the Soviet Ministry of Foreign Trade.

Yield to Competitive Pressures?

The year is only 16 days old, but no doubt many of you already have had to restate your position on a problem that arises continually. You have been asked to create a new product, or to match one now on the market, because one of your product sales managers, or one of his salesmen, has demanded that you "meet competition." The request or demand for such a new product is based on a sincere belief that such a product will win or hold a prospect or customer, and will add to the profitability of the business. But you, as top man in sales, must take a longer view.

Perhaps the words of C. J. Backstrand, president, Armstrong Cork Co., are worth adapting to your own situation. Backstrand reminded his own wholesale distributors recently:

"Our great strength today lies in the fact that we are different from our competitors, so we must guard against yielding to the

In planning any Industrial Advertising Schedule make sure you start with Thomas Register...

**Industries source
for Sales Producing
Inquiries.**

*12,252 Companies used
factual advertising
in last annual edition
because they know
Thomas Register
is where Buying Inquiries
are Born!*

Write for ABC Statement today —
talk over your companies requirements
for Sales Producing Inquiries
with a Thomas Register representative.

THOMAS REGISTER

461 EIGHTH AVENUE
NEW YORK 1, NEW YORK
Telephone OXford 5-0500

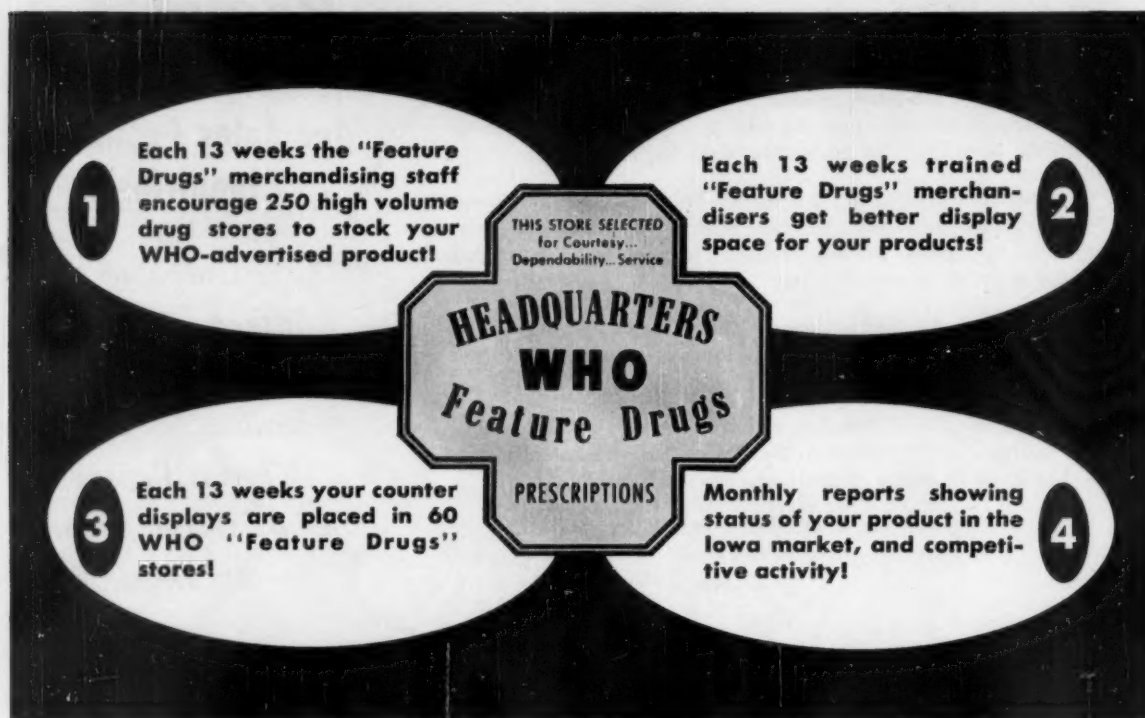


Station WHO puts the PLUS into merchandising!

The emblem represents WHO Radio's outstanding "Feature Drugs Merchandising Service"—comprehensive *plus* service offered, at no extra cost, to WHO advertisers whose products are sold in drug stores. 250 leading stores, accounting for 40% of drug volume in 76 of Iowa's 99

counties, take part in "Feature Drugs" service.

WHO Radio's "Feature Drugs" service works for you in four different ways—and you get the whole package when your gross expenditure on WHO Radio is \$250 per week for 13 weeks, or \$3250 within a 13-week period of time.



WHO's "Feature Drugs Merchandising Service" is producing BIG RESULTS for some of the nation's finest drug manufacturers. It can do the same for you. Ask PGW today for more about WHO Radio and "Feature Drugs"!



WHO Radio is part of Central Broadcasting Company, which also owns and operates WHO-TV, Des Moines; WOC-TV, Davenport



Peters, Griffin, Woodward, Inc., National Representatives

WHO

for Iowa PLUS!

Des Moines . . . 50,000 Watts

Col. B. J. Palmer, President

P. A. Loyet, Resident Manager

Robert H. Harter, Sales Manager

temptations of expediency on the firing line that would have us lose our distinctiveness and do just what competitors are doing."

Backstrand preceded that declaration with this comment:

"It is a well recognized principle that success in competitive selling cannot be achieved by selling according to the ground rules established by the competitor—in short, success cannot be achieved by imitation. . . . We need recall only such things as the establishment of strong, nationwide wholesale distribution in place of jobbers, the publishing of prices and terms of sales where none existed before, the training of career salesmen instead of employing conventional sales agents, and continuous, persistent national advertising to create an image of quality."

Another View of Competition

"Paradoxical though it may seem, one of the biggest saving graces to our company during this period has been the presence of serious competition," declared C. J. Ritzten, vice president, Automatic Canteen Company of America, recently.

"We have never been able to sit back and wait for business. In this competition is one of the reasons our sales force is doing such an excellent job . . . it has always worked under competitive pressure and now it's tougher. We can build a piece of new vending equipment today and set up a five-year amortization program. Maybe two years from now it isn't worth anything to us because something newer and better is brought out by a competitor or developed by our own engineers. Believe me, if you can hold your business under conditions like this, you have a good sales organization."

Business Backs Education

The new patron of education is business. It is no longer the wealthy who make individual, personal gifts to colleges and universities for major endowments. Tax laws have made such gifts almost prohibitive.

One of the most newsworthy, and newest, business gifts to education has just been made by The Annenberg Fund, Inc. It establishes "The Annenberg School of Communications" at the University of Pennsylvania. The school will conduct teaching and research programs in radio, television and other fields of communication.

The school is intended, initially, primarily for graduate professional education, but its courses will also be available to undergraduates in combination with programs for baccalaureate degrees in other schools of the University.

The school will be housed in a building which will be erected on the University campus in honor of the late M. L. Annenberg, father of Walter H. Annenberg, president of Triangle Publications, Inc., which owns TV Guide, Seventeen, Philadelphia Inquirer, and radio and TV properties.

Just like the pied piper
and his fife . . .



people
REACT
to the
voice and vision
of NBC in
South Bend - Elkhart

call Petry today!

WNDU-TV CHANNEL 16

BERNIE BARTH & TOM HAMILTON

COVERS

CUSTOM DESIGNED &
MANUFACTURED •



FOR

CATALOGS
SALES MANUALS
SAMPLE BOOKS
RING BINDERS
SERVICE MANUALS
WALLPAPER BOOKS
PRESENTATIONS

THE S. K. SMITH CO.

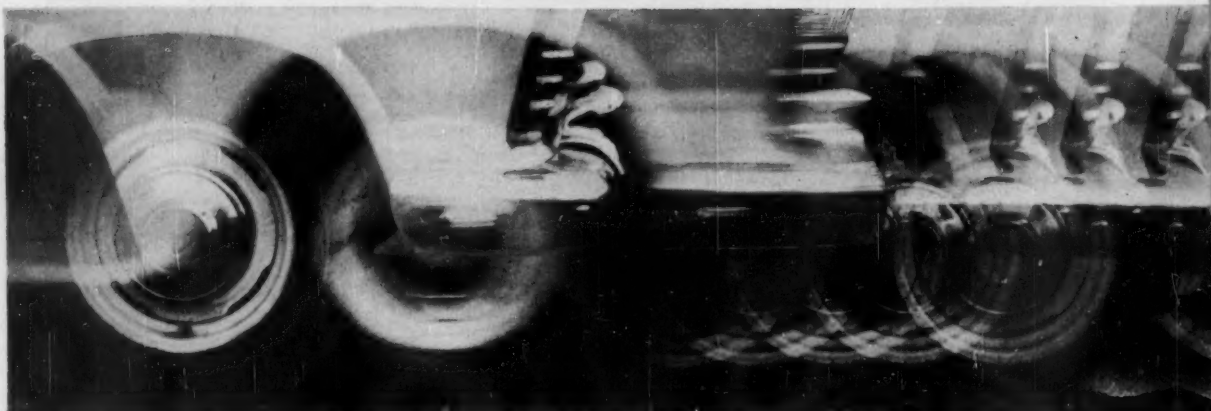
2857 N. WESTERN AVE., CHICAGO 18

NEW YORK 17

CLEVELAND 13

LOS ANGELES 45

Special interest magazines get



Action for the men who service America on wheels

Nothing spells action more than the spinning wheels of 68 million cars and trucks on U. S. Highways. And to the men who service these millions of cars, day after day, nothing spells action more than MOTOR—one of the 13 Hearst "Special Interest" Magazines.

For example, when MOTOR describes a new product—such as a faster tool for removing mufflers, a hydraulic valve lifter tester, or a new plastic for body repairs—demand follows immediately. Because this is the kind of information that saves time and toil for readers—and sparks sales action at the local level.

It is this policy of supplying information which in turn gets action, that has put MOTOR not only

at the head of the automotive paper field, but among the top business publications in the nation, with a circulation above the 100,000 level.

What does this mean to the advertiser?

MOTOR gets immediate action at the local level because the advertiser's message appears along side editorial material that has one purpose only: helping service men and dealers.

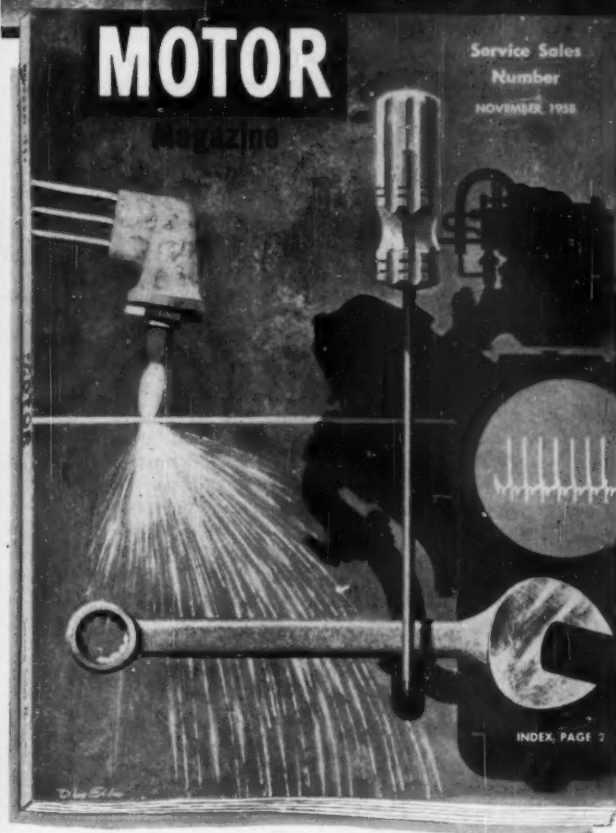
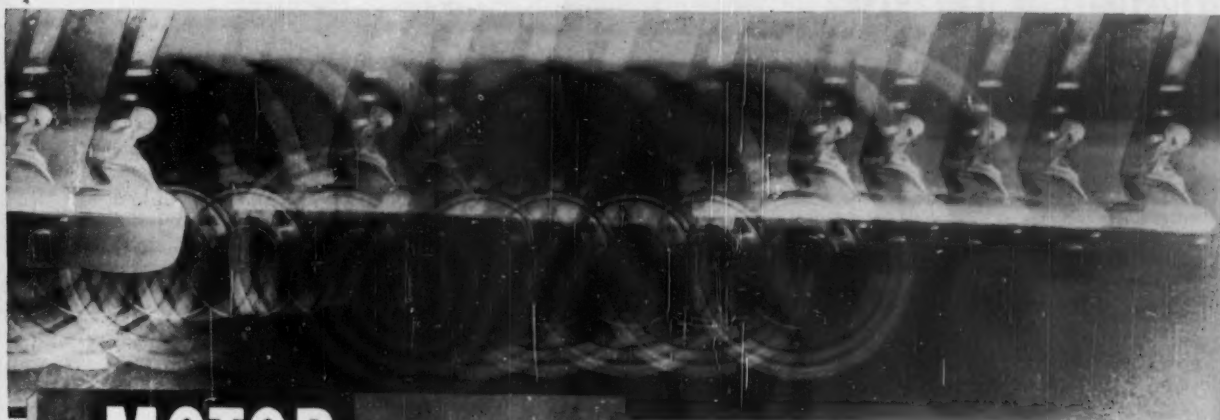
And this is the philosophy of all Hearst Special Interest Magazines. Advertisers and readers share a common interest—and speak one another's language. The advertiser's message is presented in a climate of acceptance...reaches presold prospects.

So if you want action at the local level—if you want to hear that cash register sing—look to the medium that is geared for action, saleswise. For advertising dollars work hardest where interest is greatest...and readers of Hearst Special Interest Magazines are already sold—only need to be told!

Six keys to increased profits

- Hearst readers are prospects, not just suspects
- Advertising is focused where interest is keenest
- Editorial and advertising content work together
- Editorial integrity lends prestige to advertising
- Each Hearst Magazine is an authority in its field
- Hearst readers are sold—only need to be told.

ACTION!



Hearst Magazines Get Action!



THE QUAD-CITIES metropolitan area (Rock Island County, Illinois and Scott County, Iowa) now rank in 86th place among the first 100 markets in the U.S. Of the total 267,100 people, 56.7% of them are on the Illinois side of Rock Island, Moline and East Moline.

OF PARTICULAR significance to marketers is this fact: This area has 5% more families in relation to population than the national average. Again over half of these families are on the Illinois side.

FOR THE ENTIRE 12 months of 1958, Rock Island, Moline and East Moline, Illinois are listed as "preferred cities" by Sales Management. The excellent economic condition of these cities is extending into 1959 with every indication that EBI will climb even beyond its present \$6,189.

YOU MAY OBTAIN our complete file of market information by requesting a copy of the Quad-City Market Edition just recently released by Dispatch and Argus. It contains facts and data that can assist you in handling promotion of the Quad-City metropolitan area.

A GOOD TEST MARKET. Does not overlap with any other major trading area; has balanced economy; typical midwest population; dependable buying power.

ADDRESS your inquiry to Harold Swanson, National Advertising Director.

FULL COLOR AVAILABLE DAILY

**MOLINE DISPATCH
ROCK ISLAND ARGUS**

Not a Repr. — THE ALLEN-KLAPP CO.

CORPORATE CLOSE-UP

Sudden Shift in Nickel: Time to Market a Brand



What does a company do when production capacity grows larger and larger but consumption drops? At The International Nickel Company of Canada, Ltd., "the whole orientation of this company is shifting towards marketing." And with good reason.

The free world's production capacity of nickel will approach 550 million pounds this year. Inco's current capacity accounts for 310 million pounds of that total. In 1957 the free world consumed 415 million pounds of nickel, 251 of which went to North America, principally to the industry's biggest market, the U.S. But in 1958, nickel consumption dropped to about 325 million pounds. It's still too early to tell exactly how much of that 325 million was manufactured and sold by Inco. But the company's third-quarter statement showed that nine-month sales of all products were down over \$80 million from 1957's \$330,333,000 for the same period and nickel deliveries dropped 33%.

Until the Korean War, Inco had a virtual monopoly; it accounted for between 80 and 85% of the nickel consumed. But while Inco still sells about 60% of all nickel, competition is getting rougher.

Thus the shift to emphasis on marketing in the U.S. Inco has always worked at expanding existing markets and creating new markets for nickel. Whatever it did for nickel, it would get the lion's share because of its dominant position. It's still going to do so. But last October, Lars R. Larson, a vice-president in the U.S., was also named manager in charge of the new General Sales and Marketing Department in this country. (Inco operates in the U.S. as The International Nickel Co., Inc.) His job: manufacturing customers for Inco nickel.

The method: By helping its customers to sell nickel-containing products, the firm hopes to create customer preference for Inco nickel. Or as one man puts it, "Inco is now selling a brand product."

Currently Larson and his staff are studying 15 to 20 promotional programs for various alloys which contain nickel (of the 6,000 listed alloys, 3,000 contain nickel). Not all will be used. The first major promotion completed last November was for constructional alloy steels. In February the target is stainless steel. Dr. John F. Thompson, chairman of the board, has already described stainless steel as the largest single market for nickel. Why? "It's a market that does not depend to a major extent on any particular application," says Thompson. "Uses are so diversified that the requirements for nickel in stainless steel will increase without being unduly sensitive to trends in particular applications or industries." He foresees "unrestricted growth."

The "gleam of stainless steel" program will run for two weeks (Feb. 2-14) in approximately 35 cities across the country. Inco has worked out exclusive stainless steel promotions with department stores in those cities and will advertise locally in newspapers and on radio. Nationally, Inco ads in The Saturday Evening Post (Feb. 7) and Look (Feb. 17) will be bolstered by ads from stainless steel product manufacturers.

Following the stainless steel campaign, Larson is planning similar promotions for electroplating, copper-nickel alloys, foundries and high-nickel alloys, among other segments of his business. To carry them out, he estimates Inco's advertising and promotion budget for this year will be approximately 25% above last year.

*"We never
advertise in a
Seattle daily
without using
The Tacoma
News Tribune,
too"*

says **BILL CASE**, Manager,
Seattle-Tacoma Branch of
BLUE BELL POTATO CHIPS
(distribution; Oregon, Washington,
Idaho, Montana, California)

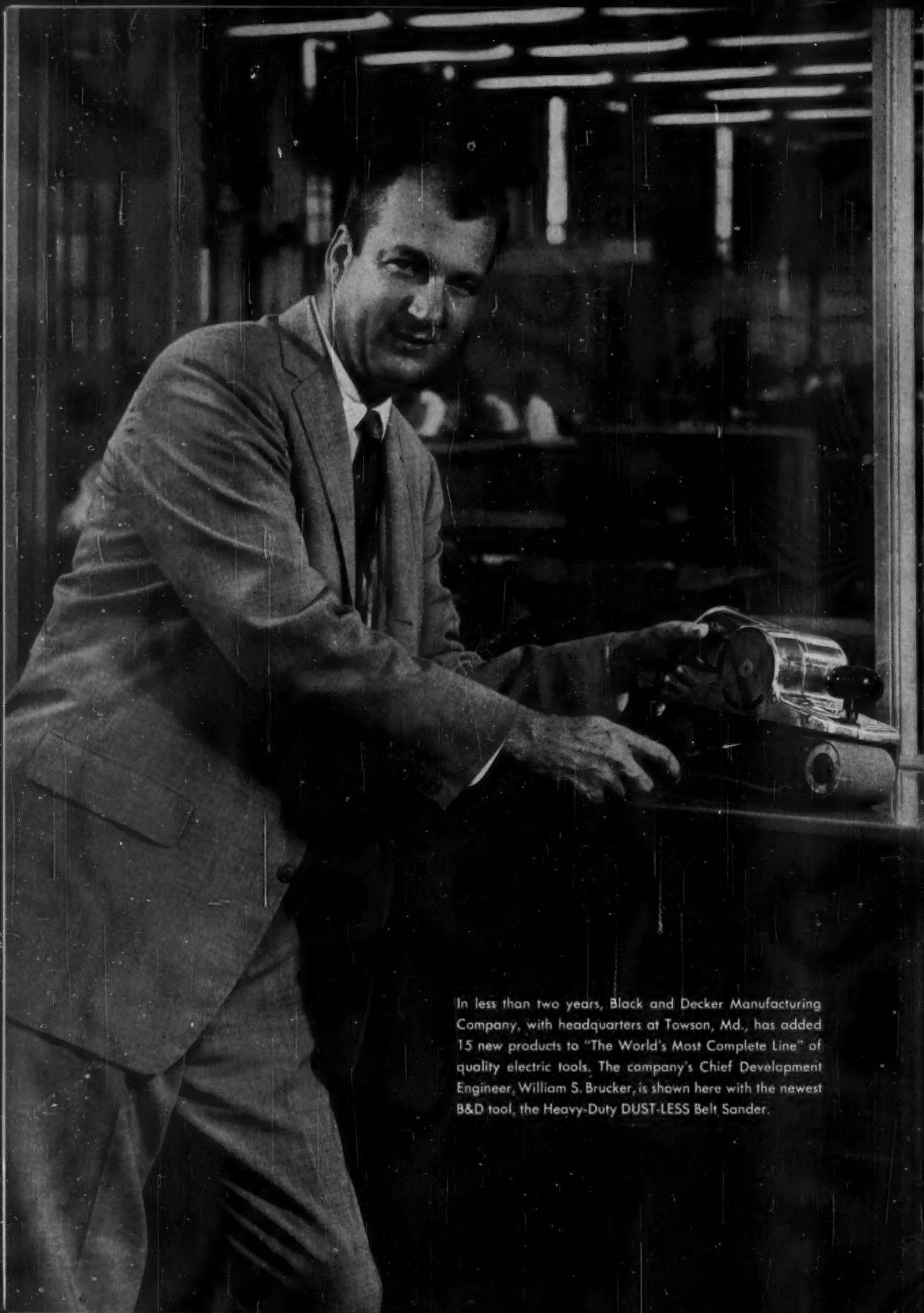


"We're close enough to the merchandising picture in the Puget Sound area to know that we must advertise in the Tacoma News Tribune on the same basis as we use the Seattle dailies. In our year-round advertising program in the Puget Sound area, we always include the Tacoma News Tribune."

TACOMA NEWS TRIBUNE

Tacoma, Washington

Represented by SAWYER-FERGUSON-WALKER COMPANY, Inc.
NEW YORK • CHICAGO • PHILADELPHIA • DETROIT • ATLANTA
LOS ANGELES • SAN FRANCISCO



In less than two years, Black and Decker Manufacturing Company, with headquarters at Towson, Md., has added 15 new products to "The World's Most Complete Line" of quality electric tools. The company's Chief Development Engineer, William S. Brucker, is shown here with the newest B&D tool, the Heavy-Duty DUST-LESS Belt Sander.

WANTED: quick, convenient access to product information

Comments Black and Decker's Chief Development Engineer: "I am sure no company that wants to have us buy its products would purposefully make it difficult for us to do so.

"Yet, a surprisingly large number do make it difficult for us even to consider their products.

"The problem stems in large part from an apparent unawareness, in many companies, of how much we rely on manufacturers' catalogs as our basic guides to probable sources of supply and why, when we need catalogs, we want to be able to locate them easily and use them immediately.

"We depend on manufacturers' catalogs to supplement our experience. We cannot know every manufacturer of every product we could use. Moreover, there are many companies we know so little about that we would probably not refer to their catalogs if we had them—unless these catalogs had been indexed and cross-referenced to make them easy to find. We cannot undertake this time-consuming, never-ending task of maintaining catalogs on our own.

"There is a very sensible and effective solution to this problem, however, in Sweet's system of classifying, indexing, and filing manufacturers' catalogs in bound volumes. The catalogs in our Sweet's Files are easy and convenient to use, we always know where they are, and we can refer to them instantly whenever we need them.

"Every manufacturer who makes his catalog available to us via Sweet's speeds our product-selection work, cuts our costs, and makes it easy for us to consider and specify his products. I know of no other service we appreciate more or find more helpful."



SWEET'S CATALOG SERVICE

Division — F. W. Dodge Corporation
119 West 40th Street, New York 18
Service offices in principal cities

Sweet's helps you market—the way industry wants to buy

Kansas City - **One of top 12 test Cities**

HEART OF AMERICA

Equidistant from Canada to Gulf, Atlantic to Pacific. Kansas City is simultaneously an Eastern city, a Western city, a Northern city and a Southern city. The buying habits of every section of the country are reflected here. Often called the "most American city."

18th LARGEST CITY

Population, 1,017,000. Families, 328,490. Consumer expendable income, \$2,151,625,000.00. 2nd in America in automobile assembly. 12th in postal receipts. 4th in rail freight traffic.

CONCENTRATED RETAIL OUTLETS

Four grocery organizations do 56.3% of dollar volume; three drug chains do 65%. 16th in America in retail sales, 13th in drug sales. Quality of market 25.2% above national average. Merchandising-minded, tie-up conscious retailers insure quicker checkable response, greater volume.

HUGE TRADE AREA

Free from mountains, lakes, ocean or other natural barriers, Kansas City's commerce flows unimpeded in every direction. Dominant in agricultural marketing and product distribution.

STABLE, BROAD-BASED ECONOMY

Wealth from the good earth—wheat, corn, oil, livestock, lumber, minerals. Surging manufacturing development. Great hub of a tremendous distribution network. Supreme among cities in the year-in, year-out uniformity of its prosperity.

MOST THOROUGH COVERAGE

The Star has the nation's most thorough twice-daily circulation coverage . . . blankets every class, income and racial segment of a city and area typically American in response to merchandising and selling appeals.

MR. TEST MARKETER!

Put Kansas City and The Star at the head of your list, as other leading advertisers do.

KANSAS CITY

A Top Test Market

THE KANSAS CITY STAR

A Top Test Medium

OFFICES

KANSAS CITY

1729 Grand Ave., HARRISON 1-1200

CHICAGO

202 S. State St., WEBster 9-0532

NEW YORK

21 E. 40th St., MURRAY Hill 3-6161

SAN FRANCISCO

625 Market St., GARfield 1-2003

SIGNIFICANT TRENDS

Marketing News as Viewed by the Editors

Is Lorillard Setting a Precedent?

Direct payments to supermarkets for all prime display space may be the result of a plan now being worked on by P. Lorillard Co. It involves contracts with the stores calling for payments of up to \$10 a month for such spots as the second shelf from the top in cigaret racks—the eye-level shelf.

Supermarkets seem to like the idea. And other cigaret firms are rushing to meet Lorillard's bid with counter-offers.

"If a pay-for-space program takes hold in the cigaret industry," says Supermarket News, "it could spread to other categories where there is strong competition for choice locations."

Payments for prime space in cash, merchandising services, racks and stands certainly are not new. But previously this has been done on an informal basis. The Lorillard program—which could cost the company as much as \$2 1/2 million this year—introduces a signed contract between manufacturer and retailer. Ramifications, implications and complications for manufacturers selling to food stores are many if the idea spreads.

Pickle Packers Protest

A few columns ago, we wondered in print whether National Pickle Week (or any other special week or month) was really worth-while. We went on to cite the case of Canned Foods Month which was a flop: Sales dropped 9% during the promotion period.

We weren't really picking on the pickle packers, and we feel that Bill Moore, secretary of the National Pickle Packers Association, realizes this. But, like the fellow from Fort Worth who will use any opportunity to say a few words about

Texas, Moore rose to the occasion. He sent us a ream of reprints and a case of statistics to prove that Pickle Week (the last two weeks in May) really sells pickles.

Late spring pickle sales, says Moore, have risen 6% to 7% for each of the past six years. This has helped to level out the highly seasonal pickle sales curve which traditionally peaks in July and November. Between 1946 and 1957, pickle purchases increased 75%. And all this, reports pickle-pusher Moore, is done with pennies . . . "total budget for all media, all states, all year, plus trade mailings and trade papers is less than the cost of two full pages b&w in Life."

Apparently, few people give the lowly pickle its due. The warty, little green vegetable actually outsells every other canned fruit and vegetable by a large margin. We suspect that at least some of that success is due to Pickle Week and the efforts of alert and vocal Bill Moore of NPPA.

Apartment Market for Autos

The average urbanite gets little use out of the family car. So little, in fact, that there may come a day when apartment dwellers will share automobiles just as they do washing machines, sun decks and elevators. That's the way Walter L. Jacobs sees it. He's president of The Hertz Corp. and people's driving habits are of considerable interest to him.

He points out that the city driver's car is idle 95% of the time during which it incurs depreciation costs, and costs of insurance, licensing and storage. Says Jacobs, "The average passenger car is driven 9,844 miles a year at an average rate of 35 mph. This figures out to a little less than 12 driving-days per year."

(continued on page 20)

W.L.W.
Community and
Rural Program

Community and
Rural Program

Estados



Our finest award..

Community and
Rural Program

Community and
Rural Program
Award
ollars

Awards

Thank you for the toys
you sent me when I
was in the hospital
I still have them.

Mike

ment

DATION



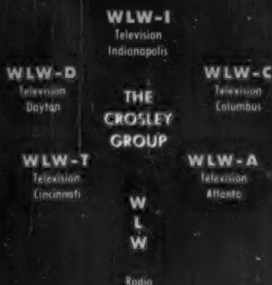
...is written in pencil

Of course we're proud of the silver and bronze plaques, the medals, the handsomely lettered scrolls that make up the more than 100 major awards won by Crosley Broadcasting Corporation.

But our finest award is written in a child's hand on lined paper. It simply says, "Thank you for the toys you sent me when I was in the hospital. I still have them."

In our 36 years of broadcasting and over 10 years of telecasting, we have been privileged to make many contributions to the progress of the industry. Our public services, our showmanship and technical skills are widely known. But our finest achievement, acknowledged by a child, is keeping heart and humanity in broadcasting and telecasting.

Wherever there is a WLW—Indianapolis, Cincinnati, Columbus, Dayton, Atlanta—there is also the warm and friendly spirit of a station that puts service to the community above all other considerations.



Crosley Broadcasting Corporation, a division of *Avco* Manufacturing Corporation



In large cities, at least, the family automobile is an expensive and difficult institution to maintain for the value received. So, Jacobs envisions that a 200-unit apartment with 800 occupants might well have a garage containing 100 cars. Their use would be included in the apartment lease.

"When father wants to go to his golf club, he might call down and have an Olds reserved," adds Jacobs. "When mother decides to raid the supermarket, she might ask for a Chevy. And when Junior wants to sport his best girl, he'd probably say, 'Be sure it's a convertible.'"

The American Way to Sales

On the morning of December 18 we received a call from a Mr. Phil Hearst of American Airlines. "May we serve you in arranging your transportation plans for the NAEA meeting in Chicago, January 19?" he asked. Further talk brought out that in the case of **every** convention, American, through its various branch offices, gets in touch with every member of each association and tries to get his patronage. Other airlines do this occasionally; only American seems to do it consistently.

Incentives for Salesclerks

Manufacturers have long felt that the weakest link in the sales chain is the retail clerk. But, what to do about it?

Wolco Products, Inc., has come up with a program that not only encourages clerks to specify its phonograph needles, but helps the dealer retain competent help. Wolco supplies "fringe benefits" to the salespeople, something that few small dealers could afford to offer. To date, some 3,000 dealer salespeople are enrolled. Membership in the Wolco Super Bonus Club, which the program is called, provides:

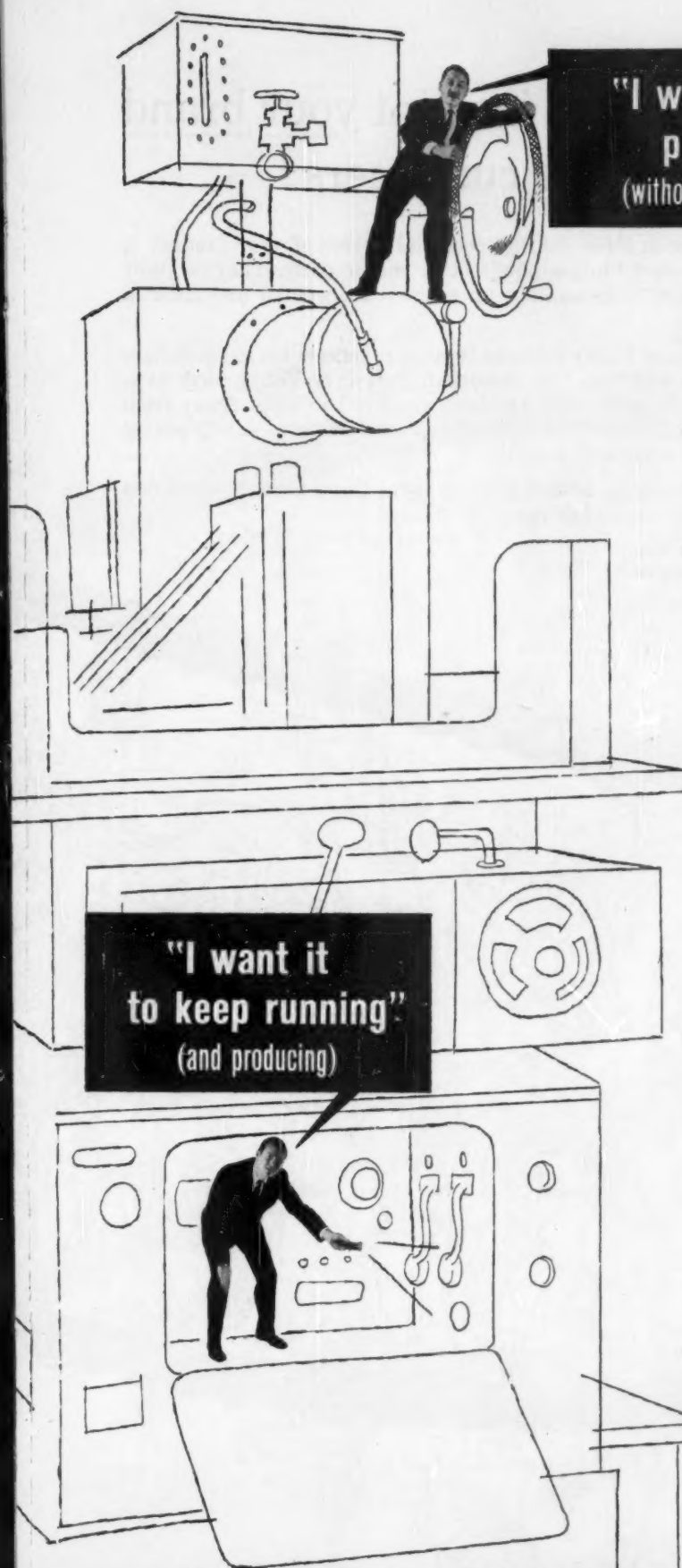
- A modest salary supplement in the form of "spiff" or bonus payments.

- Hospitalization and life insurance at low group rates, available at employee option. He collects his credit by pasting his bonus stamps (they appear on each package of needles) in a special Club booklet and turning them in when the premium book is filled.
- Cut-rate vacation trips.
- A Club newsletter which keeps the employee up to date on the latest technical developments and company happenings.

Wolco has found that the clerk's question, "Have you checked your phonograph needle recently?" sells more needles than advertising or any other type of promotion. The Super Bonus Club member, it finds, is more likely to ask that question.

INTERESTING, IF NOT SIGNIFICANT . . .

Some 20,700,000 people play the piano. Second in popularity among **musical instruments** is the guitar, with 4,450,000 string pickers . . . The use of **color in newspaper advertising** during 1958 was probably better than 5% ahead of such use in 1957 . . . Almost half the **homes** in the U. S. were built before 1920 . . . The Federal Government currently spends more per year for **paper towels** than George Washington did on the entire federal budget . . . The American Broadcasting Co. is telling housewives about its **daytime TV shows** with a printed message on millions of grocery sacks being circulated by 8,000 food outlets . . . H. J. Heinz is introducing single-service containers of **ketchup**, following up its introduction last June of one-portion packs of mustard. Principal use will be by drive-in restaurants, fast-food counters . . . **Food chain sales** have shown an increase for more than 100 consecutive months over the same month of the year before, says Chain Store Age. Since 1946, food chains have tripled total sales . . . Business spent close to \$130 million for **industrial motion pictures** last year . . . Women spent more than \$1 billion in beauty salons in 1958 . . . Per capita consumption of soft drinks in 1958 neared 190 bottles . . .



**"I want it to
produce"**

(without shutdowns)

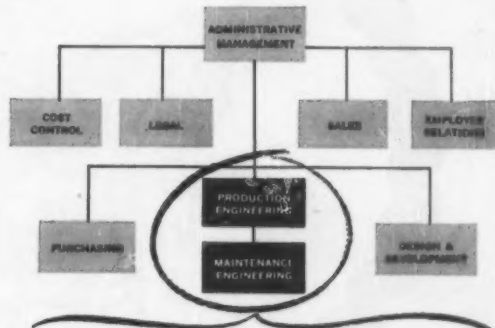
High productivity...low cost maintenance ...these are the mutual interests of men in charge of production and maintenance engineering. They cannot be separated. This vital area of dual responsibility is served *only by Mill & Factory!*

Good production cannot outweigh costly maintenance. Low cost maintenance cannot outweigh poor production.

There are a number of broad, all-industry publications. But only one — only **MILL & FACTORY**—recognizes the common information needs of the production/maintenance engineering function. Editorial research proves that this mutual interest can only be properly served by a single publication.

These men in charge of production/maintenance engineering are the men who weigh your product in relation to their two biggest every-day problems—efficient production . . . low cost maintenance.

**"I want it
to keep running"**
(and producing)



Mill & Factory is the only single publication edited 100% for the men known to be directly responsible for the methods, equipment and supplies used in Production and Maintenance.

Mill & Factory NSF CPA

205 East 42nd Street, New York 17, N. Y.
a Conover-Mast publication

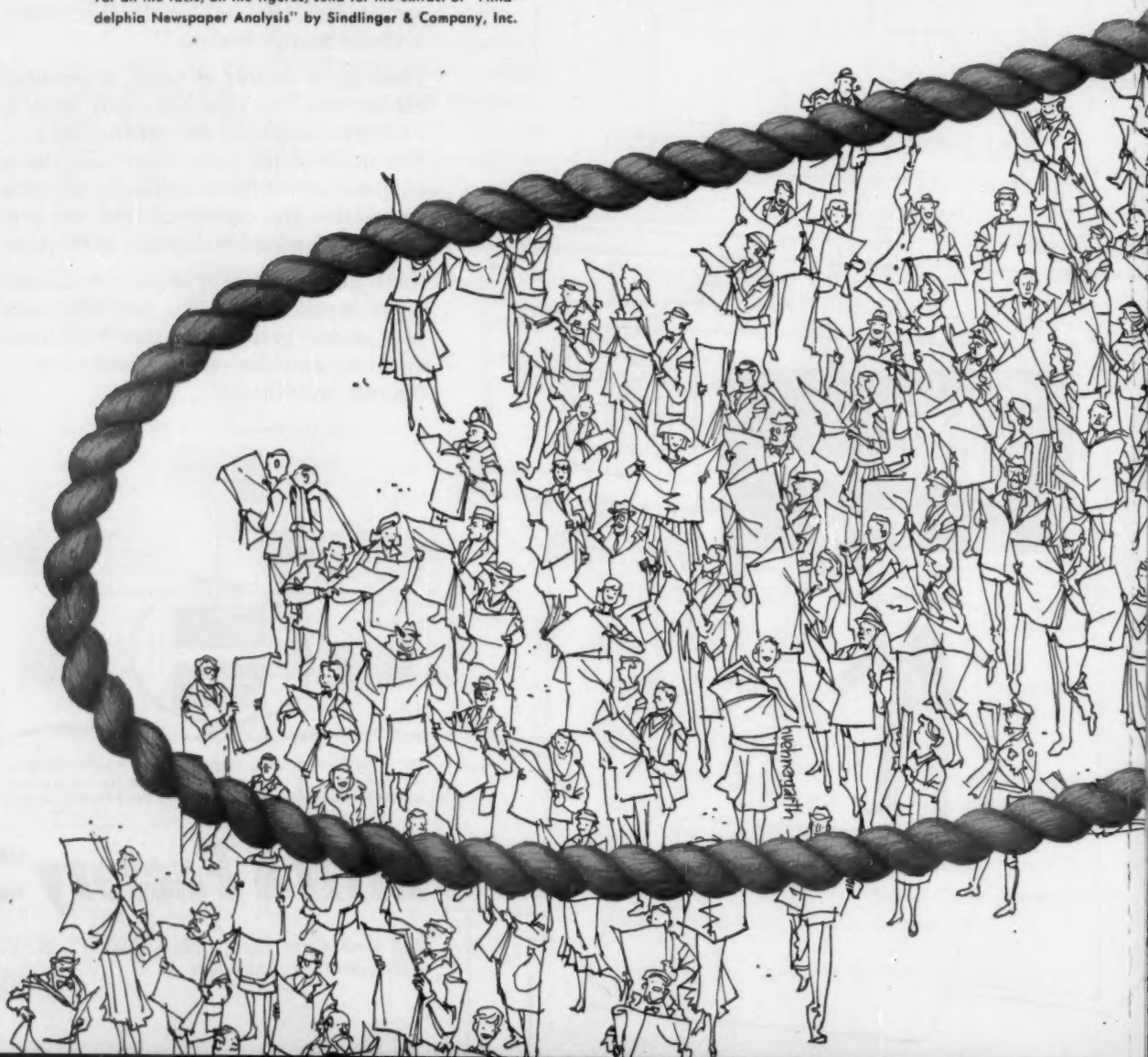
How to round up...and imprint your brand on ... 893,000 exclusive customers !

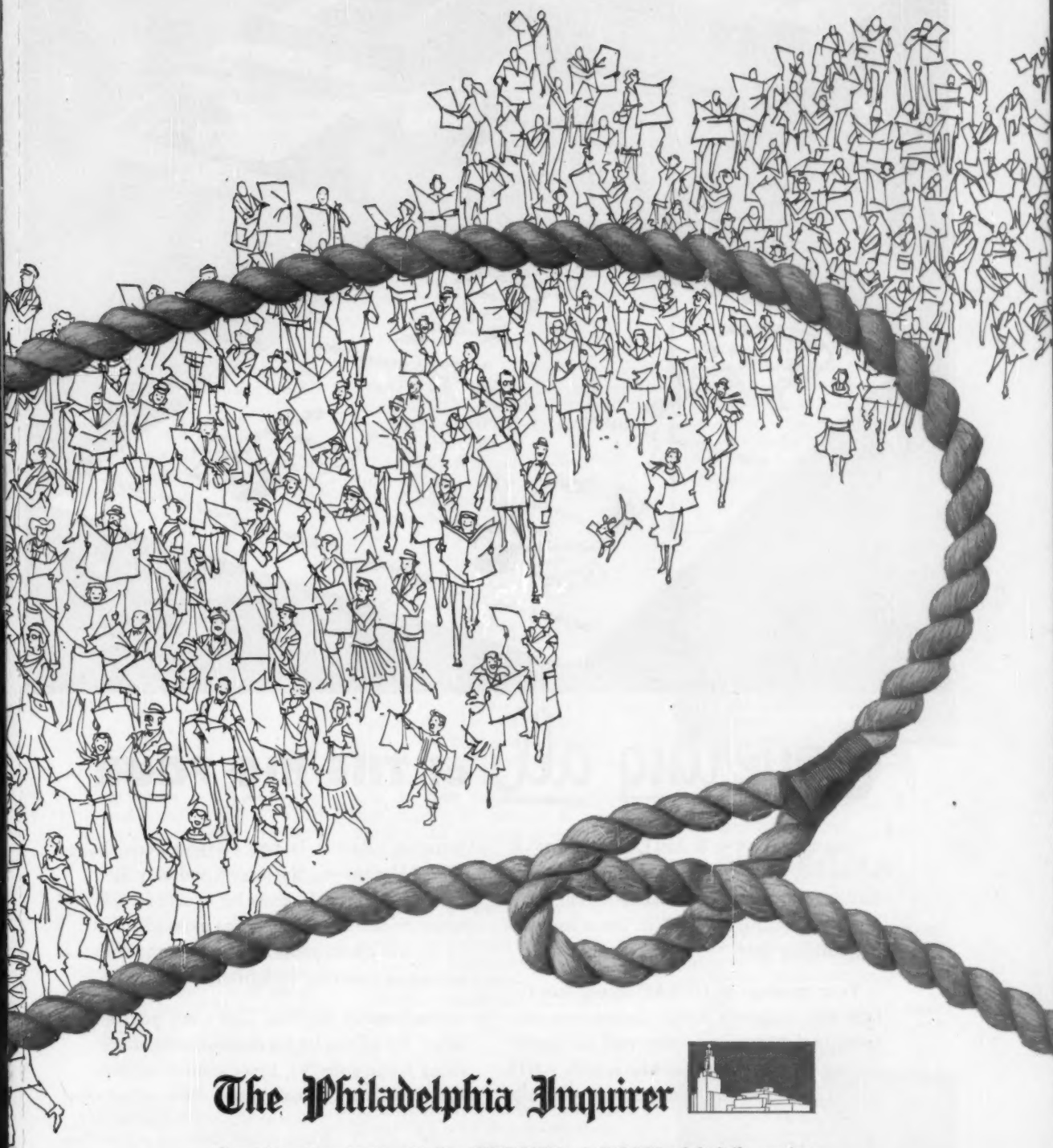
The Inquirer is the only place to catch these 893,000 potential buyers of your product in Delaware Valley. They just don't read Philadelphia's other major daily. They're Daily Inquirer *exclusives*. Miss them and it's like passing up every man, woman and child in corporate San Francisco.

The grass is even greener in Delaware Valley suburbs because it reflects the extra dollars of the Valley's bigger earners and spenders. Viz: suburban Delaware Valley buys 64% of the automobiles and 55% of the furniture and appliances sold in this area. Away from the city's roar and bustle, the Daily Inquirer has 578,000 *exclusive* readers—a tidy packet of prospects you can't corral in the other major daily.

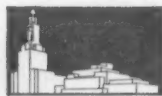
When you're heading for the *next* roundup, be sure you talk to the Daily Inquirer's 893,000 *exclusive* prospects . . . its 1,352,000 total adult readers.

For all the facts, all the figures, send for the extract of "Philadelphia Newspaper Analysis" by Sindlinger & Company, Inc.





The Philadelphia Inquirer



Good Mornings begin with The INQUIRER for 1,352,000 adult daily readers

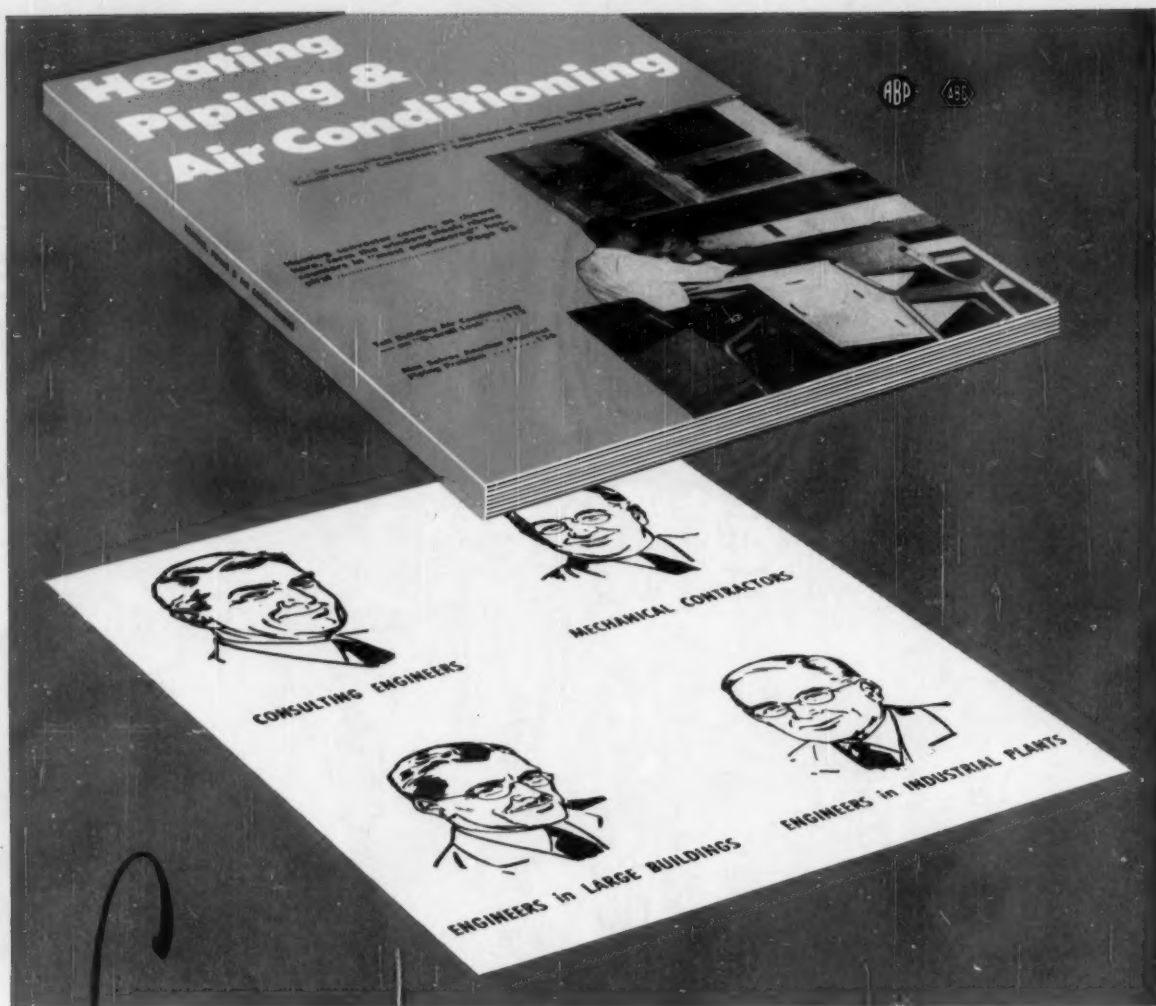
NEW YORK
ROBERT T. DEVLIN, JR.
342 Madison Ave.
Murray Hill 2-6838

CHICAGO
EDWARD J. LYNCH
20 N. Wacker Drive
Andover 3-6270

DETROIT
RICHARD I. KRUG
Penobscot Bldg.
Woodward 5-7260

SAN FRANCISCO
FITZPATRICK ASSOCIATES
155 Montgomery St.
Garfield 1-7946

LOS ANGELES
FITZPATRICK ASSOCIATES
3460 Wilshire Boulevard
Dunkirk 5-3557



Covering all of THE BIG FOUR

HEATING, PIPING & AIR CONDITIONING is edited for, paid for, and read by these essential factors. Singly, or in combination, they purchase-control every job in the industrial-big building field.

Your message in HP&AC meets face-to-face the engineers AND contractors who actually do heating, piping and air conditioning work . . . the ones who specify AND buy . . . the ones who count! But provably

pure circulation is not all you receive. HP&AC gives you the largest and only fully paid circulation. It leads by over 2 to 1 in advertising volume. It carries more editorial by far and is editorially staffed by authorities having engineering background in this field.

Don't settle for less. Don't sell yourself short. Do a complete, a concentrated advertising job in your No. 1 medium—HEATING, PIPING & AIR CONDITIONING.

Heating, Piping & Air Conditioning
KEENEY PUBLISHING CO. AIR CONDITIONING HEADQUARTERS

6 N. Michigan, Chicago

SALES MANAGEMENT

a treat for sore eyes

Perhaps the bulbs used near phone booths are of lower wattage than before (Gluyas Williams will bear me out on this), but telephone directories are getting harder to read. So it really is a treat to see Sales Management take another step forward in picking more legible type faces.

After reading "That Foreign Car Market" [Editorials, Sales Management, Dec. 5, p. 9], I thought you might be interested to know that the Schenectady Studebaker dealer, Carl Carlson of Franken Sammler, tells me that he is getting several small foreign cars as trade-ins on Larks. While this is only one case, the question is—"Is this a trend?"

Sherman Storer
Manager, Market Research &
Development Dept.
Mohasco Industries, Inc.
Amsterdam, N. Y.

likes the product, too

I like your new package—but the package isn't really important to me. I like the product, and keep on liking it better and better.

Lionel B. Moses
Parade Publications, Inc.
Chicago, Ill.

nice to know it was missed

Congratulations on your revised cover and layout!

But won't you please reinstate "Interesting If Not Significant"?

Donald E. Volker
The Marvello Corp.
Maywood, N. J.

► We didn't mean to deprive Mr. Volker—or anyone else—of this part of the Significant Trends department. He'll find it back in there, page 20.

looks better, reads easier

Yes, indeed. I like the new format. It is a markedly better looking and easier reading magazine.

Beyond these sincere compliments, I have a question which

you must have considered many times before. This is it: Why publish twice monthly? Why not once a month? No one on the side lines can answer this question, but it is perhaps worthy of a survey.

I thought the article by Dr. Goldner in your Dec. 5 issue was outstanding ["Are you Flunking in Creative Thinking?" p. 33].

John M. Cowan
Managing Director
National Flexible Packaging
Association
Cleveland, Ohio

our stock goes up

May I congratulate you on the article in your November 10 issue on "Wall Street Picks Tomorrow's Winners" [p. 18].

We liked it so much that we ordered 1,000 copies for distribution throughout our 37 Harris, Upham offices.

Ralph A. Rotnem
President
N. Y. Society of Security Analysts
New York, N. Y.

pointed words from down under

I was interested, in reading through recent issues of Sales Management, to see that despite the many difficulties there have been, the U.S.A. is now getting up steam for a fresh advance.

I do trust that your country can manage to get out in front again in the economic competition that is now looming between the U.S.A. and the U.S.S.R. After all, these two countries head up two completely different systems and, as you no doubt are aware, many uncommitted nations are impressed by the one which appears to make the greatest advance.

As a matter of interest, it is the subject of bewilderment to many of us in this country that the U.S.A., where the advertising profession has reached its greatest heights, does not seem to be able to advertise its achievements to the world in a way that makes it acceptable to so many people.

Even in this country where the

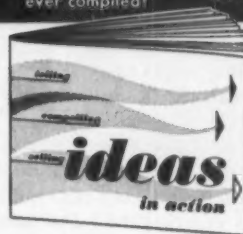
(continued on page 27)

ISN'T THIS A NATURAL FOR YOUR NEXT SALES MEETING?

IF YOU COULD find an unusual impressive, personalized gift that is also a hard-working sales aid, wouldn't you consider it for all your men at your next sales meeting? Find out about Pocket-Planner: not just a gift but an investment in a sales aid that works. Your men appreciate it personally and then use it every day of the year to help the company! Used by Westinghouse, Manhattan Life, American Express and other leading firms. For full information without obligation write for folder B1, Regency Crafts, 443 Fourth Ave., New York 16, N. Y. or call ORegon 9-7344.

Send for this new 48-page book!

"IDEAS IN ACTION"—most
free complete label, seal and
tag idea-encyclopedia
ever compiled!



Full-color book loaded with hundreds of ideas in action... from the large project to the small... for the largest corporation to the smallest.



Post yourself on the very latest developments in telling and selling with labels and tags. Write for your free copy today!

allen hollander co., inc.
manufacturers of labels, seals and tags
385 Gerard Avenue, New York 51, N.Y.
MOH 5-1818
Sales Offices: Boston, Chicago, Cleveland,
Detroit, Philadelphia
Plants: New York, Cleveland



Salesmen sell as they never sold before...when you call in The E. F. MacDonald Company*

NO MATTER how good your salesmen are...no matter how hard they work...there is always a difference between "does do" and "can do."

For 37 years, EFM specialists have made a business of finding that difference and translating it into profits for their customers.

There are several reasons why professionally handled EFM sales incentive campaigns have proved more effective than any other method of motivating salesmen.

Through the years, EFM has built a reservoir of tested ideas and plans which no other source can match. Campaign executives know what works, and why. They can readily apply this experience to your sales objectives.

Hundreds of EFM specialists are available to handle the details that go

into a smooth-running, maximum-effort campaign. No single company could possibly assign such a staff to a "one-shot" job.

The EFM catalogs contain more than 2,500 nationally advertised products...famous brands known and respected coast-to-coast. These tangible prizes assure family interest, add to the salesman's stature before friends, give every participant a goal that is beyond his grasp but within his reach.

It costs you nothing extra to use this experience and service. You buy prizes at wholesale, promotional material at reduced cost. Hundreds of campaigns have cost as little as 1% to 3% of EXTRA SALES produced!

So why wait to sell more? A letter or phone call will bring a practical plan for stimulating your salesmen to sell as they never sold before!

Use all these EFM services

TRAVEL Trained to protect your corporate reputation as a host, world-wide EFM travel specialists arrange all details of holiday incentives and convention travel.

CREATIVE Skilled in creating excitement among incentive plan participants and their wives, the EFM creative department is also well-grounded in all types of sales promotion and sales training material.

MEETINGS AND CONVENTIONS Experienced idea men, script writers, talent scouts and producers will handle the entire meeting.

FILMS AND VISUAL AIDS Slide and strip films, charts and graphs, sales presentation books, sales training programs and other visual materials demonstrate EFM showmanship.



The E. F. MacDonald Company WORLD-WIDE SALES INCENTIVE SERVICE

DAYTON 1, OHIO... OFFICES IN THIRTY CITIES IN THE UNITED STATES, CANADA AND EUROPE

*New corporate name for Cappel, MacDonald & Company, Belnap & Thompson, Inc., Ross Coles & Company, Inc.

ties with your country are great, there is often an undercurrent of antagonism to American ideas.

J. L. Joyce
Managing Director
Mastercraft Chocolate Co., Pty.,
Ltd.
Sydney, Australia

Ireland bound

My Board in Ireland is currently preparing an issue of its Newsletter to be devoted to Irish whiskey exports, which is for circulation to a selected list of manufacturers in the export field within Ireland.

In connection with this issue, we would like very much to reprint in all, or part, the excellent article by Janet Gibbs in your Dec. 5 issue [Mail Promotion, page 74], dealing with the current Irish whiskey advertising campaign in the U.S. This would probably be used in the form of a montage with clippings from other American papers.

Donal Scully
Director
The Irish Export Promotion Board
New York, N. Y.

► It's all yours.

clever idea from down east

An idea for Harry Thompson's Scratch Pad column: I think the slogan, "The Maine Difference Is Flavor," used for State of Maine potatoes, is intriguing and clever.

Will A. Foster
Vice President
Borden Foods Co.
New York, N. Y.

laugh-provoker

The item, "Attitudes of Women on Mattresses" [Sales Management, Dec. 5, "Significant Trends," p. 17], has caused a lot of laughs in the office.

Quoting from Webster's Dictionary: "Attitude—posture or position; disposition of mind or feeling."

Whoever wrote this caption must have had tongue in cheek.

Let's have more of these.

Doug Hunter
National Advertising Manager
Fort Lauderdale Daily News
Fort Lauderdale, Fla.

Remarkable ROCKFORD 1ST CITY IN ILLINOIS (outside Chicago)

Rockford, Illinois, is the state's second largest city according to the State Department of Public Health.

State officials August 7 released population estimates citing Rockford as the second largest by almost 6,000 people.

The estimates, prepared by the University of Chicago's population research and training center, give Rockford (as of July, 1957) 119,000. The estimate tops even the most optimistic local figure.

The state release shows a 10,000 population gain for Rockford between 1955 and 1957.

**Rockford
Retains
Population
Lead...**

**and still
is growing**

For the first time in local history, births in Rockford for a single month exceeded the 500 mark, with 501 new arrivals being reported here in July, 1958. The previous high for one month was 487 in June, 1957.

**ROCKFORD MORNING STAR
Rockford Register-Republic**

at the
TOP
in Illinois

The perfect hinge for your
1959 Promotions



Hawaii

OUR 50th STATE

- ★ HAWAII WEEK
- ★ LUAU TIME
- ★ ALOHA SALE
- ★ HAWAIIAN PREMIUMS
- ★ FREE ORCHIDS

ORCHIDS OF HAWAII, INC.
National Sales Office
305 SEVENTH AVE. • NEW YORK 1, N. Y.
Oregon 5-6500

Nationally proven plans for sales promotion with flowers and other horticultural products from Hawaii and all over the world.
Principal Growing Fields and Packing Plant in Hilo, Hawaii

Please send me prices and information on exciting new Hawaiian display material, exotic giveaways and unique premiums.

Name

Position

Address

City Zone State

Who cares what happens to METALS?

Don Nulk, Senior Materials Engineer, Tapco Group,
Thompson Products, Inc., for example.

One of his many responsibilities is jet engine blades. He heads up the metals engineering team that deals constantly with the ever-changing factors of design, metalworking and research dictated by ever-increased performance and load demands.

Knowing *how* and *why* metals behave makes it mandatory today that only experts solve these complex metals engineering decisions: What metal or alloy should be specified? Should it be a forging, casting, extrusion or powdered metal part? What machining, heat treating, testing and quality control procedures are needed?

Don is one of 30,000 metals engineers who care what happens to metals—in production, processing and application.

They are kept up to date and stimulated by *Metal Progress*, brilliantly edited and the only magazine that concentrates solely on the engineering aspects of metals.

Donald E. Nulk,
Senior Materials
Engineer, Tapco
Group, Thompson
Products, Inc.,
is responsible for
metals and other
materials engineer-
ing and experimental
production.



Marjorie R. Hyslop
Managing Editor





Fabricability is one of the big questions after a new alloy has been forged. Can it be shaped as desired without altering its grain structure and thereby weakening it? Don Nulk and his metals engineering team must supply the answer. Design depends on it.

*Engineers who care
what happens to metals
read...*

Metal Progress

*Published by The American Society for Metals
7301 Euclid Avenue • Cleveland 3, Ohio*

Write for a METALS ENGINEERING FACTOR ANALYSIS on your products



Carl R. Weymueller
Assistant Editor



Dr. Allen G. Gray
Editor



Ernest E. Thum
Editor-in-Chief

With an unmatched technical knowledge and six years of Eastman research, the editors of *Metal Progress* know what 30,000 metals engineers must read.





Mr. Chase (*left*) examines a layout of a new Ford truck advertisement with Mr. McGinnis.

"BUSINESS PAPER ADVERTISING CONTRIBUTES TO FORD TRUCK'S 73% INCREASE IN SHARE OF EXTRA HEAVY DUTY MARKET!"

Wilbur Chase, Ford Division Truck Marketing Manager, reports: "Official industry figures show that Ford's penetration in the extra heavy duty truck market has risen steadily. Specifically, share of market zoomed 73% within six months following introduction of the new line. We attribute a large share of our sales gains to the unusual interest in our new products aroused by business publication advertising."

"Our new heavy duty trucks and Super Duty Engines were designed for special vocational fields where heavy duty and fast operations are required," relates Frank J. McGinnis, Truck Advertising Manager, Ford Division. "Therefore, it was only natural to introduce this new, 1958 line through pinpointed industry-by-industry coverage. To do the job, we have been running a strong advertising program concentrating in selected business publications . . . a 9-page foldout and a 24-page insert, both giving specifications and detailed technical information, 'kicked-off' the campaign."

IF WHAT YOU MAKE OR SELL is bought by business, you can "mechanize" your selling by *concentrating* your advertising in the McGraw-Hill publications serving your markets. By doing so, you'll be able to introduce, remind, pre-sell the greatest number of prime prospects with the least cost . . . speak to them in their language while they're in a business mood . . . give your salesmen more time to make specific proposals and close sales.

MCGRAW-HILL PUBLICATIONS



McGraw-Hill Publishing Company, Incorporated
330 West 42nd Street, New York 36, N. Y.



6 STEPS TO SUCCESSFUL SELLING





Command attention for your promotional materials with

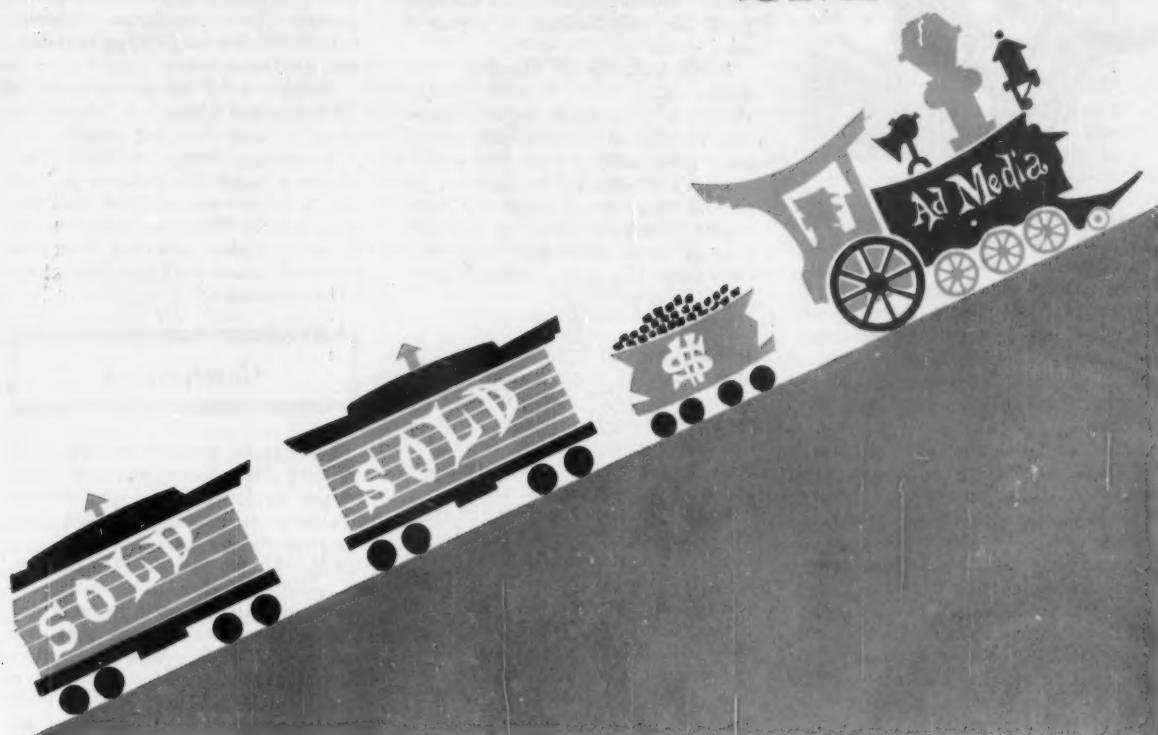
TELEGRAM-PLUS SERVICE

Sure way to get the attentive examination every successful promotion needs! *Telegram-Plus Service* delivers your booklet, sample of new merchandise, *any material*, with a telegram attached . . . right into the hands of the persons on your list. Just provide the materials to be delivered, telegraph message and address list . . . in one or many markets. Western Union does the rest.

WIRE US COLLECT! We'll deliver the full story—*fast*—on this *fast*, attention-getting service. Address: Western Union, Special Services Division, Dept. 3-C, New York, New York.

**WESTERN
UNION**
*Special Services
Division*

-SM-



Advertisers Harness More Media-Power To Pull '59 Sales up the Hill

Orders already booked by major space and time media generally exceed those of a year ago for 1958. Some advertisers still stall. But media executives feel, and predict, a rising tempo.

By LAWRENCE M. HUGHES

THOUGH a lot of advertisers still are slow to find the dotted line, wired reports to Sales Management from scores of major media — magazines, newspapers, business and farm publications, TV, radio, outdoor — already reveal that advertising volume in 1959 will follow, and increasingly lead, the rising economy.

Magazines

Largely on the strength of orders already signed for the new year, as compared with signed volume on

same date a year ago for 1958, magazines count on gains ranging from 2.5% to 60%.

Advertising directors of Time, Inc., magazines reply:

Clay Buckhout of Life: "There are definite signs of an upturn. Life's '59 page orders are running slightly ahead. For December the magazine's PIB revenue topped last year's total. January '59 orders are off a fraction from January '58. But, over-all, we look for a 10% to 15% increase in advertising page volume in 1959. Our big December volume indicates a continuing advertising pickup. In four weeks page orders rose 28% from same period a year ago—total gross

revenue rising from \$15,450,000 to \$19.9 million."

John McLatchie of Time notes "a recent flood of late orders. Time's January '59 page orders are now running 11% ahead of those for January '58. One week in December was our biggest in nearly two years."

William W. Holman of Sports Illustrated, already boasting "the largest gain in advertising pages of any magazine in 1958," expects this trend to continue: "Currently, SI's page orders for '59 are running 9% over '58, and our January '59 orders are up 23% from a year ago."

"Though slow in starting," Pete Callaway expects Fortune's 1959 business



to be "at least 10% better than 1958. The last few weeks of incoming business have been ahead of a year ago."

Reporting separately, Robert S. Smith of Time, Inc.'s, international editions shows already-signed business of Life International up 8% in pages and 23% in revenue; of Life en Espagnol, up 20% in pages and 26% in revenue.

Ed Von Tress, senior vice president of Curtis Publishing Co., summarizes trends of three magazines: "Ladies' Home Journal and Holiday have each closed two 1959 issues, January and February. In both cases these magazines are above 1958 figures in lineage and revenue. While all January issues of The Saturday Evening Post are not yet closed, it is evident lineage and revenue figures for the month will be very close to those of comparable period a year ago.

"All three sales organizations are confident that advertising revenue for first six months of 1959 will be ahead of same period in 1958."

Von Tress does not cover The American Home, acquired by Curtis last spring.

Richard Ziesing of Ladies' Home Journal previously had reported lineage of this magazine's February issue 30% ahead of February 1958.

► For the 13 Hearst magazines (including several business publications), Richard E. Deems, executive vice president of Hearst Corp., says: "1959 issues already closed and business on books indicate 5% increase over 1958. Harper's Bazaar has its biggest January issue, except for 1946. Cosmopolitan has its biggest January in seven years, and February also is up. First issue of Popular Mechanics under Hearst ownership is ahead 19 pages from a year ago."

Reporting separately, Cosmopolitan publisher James M. White shows that this magazine's "ad volume on books today is 25% greater than same period a year ago."

"Reader's Digest has 35% more business contracted for 1959 than same date a year ago," replies Fred Thompson. "First quarter will total approximately 190 pages, or 55% more than first quarter of 1958."

January McCall's is up 18% and February issue up 12% from a year ago, says McCall Corp.'s George H. Allen. "March prospects look similarly good. We look forward to a year of solid gains."

Karyl Van, vp of Meredith Publishing Co., Des Moines: "Better Homes & Gardens is slightly ahead. Our 1959 ideas annuals, now closed, show gains ranging from 5 to 40%."

Look's advertising revenue on insertions thus far scheduled for 1959, reports Don Perkins, is "up \$1.6 million, or more than 10%. The year 1959 looks like a tremendously good one for Look."

► Publisher Art Stein of Coronet replies that "ad pages already signed are running 22.7% ahead of same period last year—the biggest year in Coronet history. March issue will carry more than 70 ad pages, and will be Coronet's biggest ever."

While "specific figures are not available for all Fawcett magazines," James B. Boynton points out that two of them have 37.6% more and 60% more "dollar business on books than a year ago. All Fawcett magazines show a 23.3% gain in dollar volume and around 15% in lineage for first three months of 1959 from the same period of 1958. Mechanix Illustrated, for example, is ahead 17% in dollars and 7.1% in lineage."

Another fast riser is TV Guide. Mike O'Neill reports "business now on our books for 1959 is 56% ahead of same date last year. We are confident of \$12 million PIB revenue for 1959."

The New Yorker's business already booked for 1959, says A. J. Russell, Jr., is 2.5% ahead of same date a year ago for 1958.

Harold Behlke of U.S. News & World Report can release no specific figures, but replies: "The outlook for 1959 is good."

Publisher Gibson McCabe of Newsweek is "looking forward to gains in both page and dollar advertising. We are already ahead for January and expect succeeding months also to show gains."

Al Leininger of Parents' Magazine: "January and February issues closed approximately 9% ahead. Many orders received after closing date. By contrast with field Parents' had a good year in 1958. We forecast about the same volume for full year 1959."

Chairman P. K. Leberman of Everywoman's Family Circle: "Advertising volume on books is now \$4,066,000, compared with \$2,770,000 on same date last year. Advertising pages for the same period show 25% gain."

Jerry Ryan of Woman's Day: "With March issue not yet closed, already first three issues of 1959 are better than 12% ahead of 1958. Advertising growth reflects circulation expansion from 3,350,000 for October to 3,850,000 for December.

Parade's dollar volume on books for 1959, says Ed Kimball, is "about 10% ahead of same date last year."

Advertising lineage in Boys' Life, replies Charles F. Jackson, is 10% higher in first quarter 1959 than first quarter 1958. "Revenue, however, will be much higher, resulting from new rate card based on 1.8 million circulation guarantee."

Newspapers

Forty major newspapers from coast to coast generally report fewer tangibles in the form of new year orders—but have other evidence that their business will be better.

Gil Whiteley of Grit, Williamsport, Pa., a 900,000-circulation weekly circulating in 16,000 small towns in the U.S., shows that for the first two months of 1959 "we have 33.8% more lines scheduled than for the first two months of 1958. There is not a great deal of action beyond this period because most of our advertising is placed on a month to month basis." Grit's volume rose 3% in 1958 and 9.8% in the last quarter. By and large the current outlook is "exceedingly favorable."

Local newspaper advertising, of course, is tied closely to general business trends in an area. Following the map southward from New England and then westward, here are the findings:

► A southern New England newspaper executive: "Total advertising dollar volume in first 11 months of 1958 up 3.4%. National was down 11.9%, classified down 12.9%. But strength of local advertising—due primarily to opening of several super-markets—more than overcame these losses." This executive adds, however: "We are not very optimistic about this trend continuing into 1959."

Two New York metropolitan dailies replied during the crippling December strike. John H. Glass of the News: "We intend to continue to get as many advertising dollars as are available in the market." In the last decade the News increased its share of the general dailies' total from 19.3% to 22%. Jack Thees of the Herald Tribune: "We anticipate a modest gain."

Frank J. Butler of the Buffalo Courier Express: "Figures are not

available on which to base an authoritative statement." . . . Paul J. Kacsar, Bethlehem Globe-Times, notes a 5.77% decline in already-booked volume for 1959 compared with parallel date a year ago. . . . But Robert R. Beck, Philadelphia Inquirer, reports: "After consistent gains for the past six months, we feel that these gains will continue."

Frank J. Blewitt, Scranton Times: Declines in automotive and co-op advertising, particularly in appliances, caused a 3.4% drop in total volume last year. But building activity, expansion of a large department store and larger food schedules would turn the trend upward. The Times is busy promoting Scranton for test-market campaigns.

Baltimore Sun: "We do not project in advance."

Jack B. Sacks of Washington Post & Times-Herald: While unable to show changes in national advertising on books for the new year, "we expect a reasonably good increase over 1958. If passenger car advertising comes to life, we would revise our estimate upward. Payroll increase for local area federal workers—adding more than \$100 million annually here—should help to bring a substantial increase in retail sales."

► Shields Johnson, Roanoke Times-World-News: Though lacking "valid figures on total volume on hand, analysis of 15 specific product campaigns today as against a year ago shows six with greater lineage for 1959, seven the same and two less. This augurs well for the new year."

George Spease, Winston-Salem Journal and Sentinel: "Advertising volume on books is up 11.2% from same date a year ago."

Carl W. Pollock, Charleston Post News and Courier: "General (national) lineage dropped over 10% in 1958. But December figures indicate a slight improvement."

One Carolina newspaper executive, who prefers not to be named, replies: "Our general lineage for 1958, as compared with 1957, was terrible!"

Les Barnhill of the Miami Herald has more basis for optimism: "Ours was the only newspaper in the top ten advertising lineage leaders in the nation to show a gain for the first 10 months of 1958. We are ending the year with a total gain over 1957. . . . The airlines' strikes have cut deeply into our national lineage. But as we move into 1959 we anticipate continued gains based on the explosive growth of the South Florida area."

Turn now to the Midwest . . .

A. F. Falk of the Akron Beacon Journal cannot give advance-order comparisons, but says "things look

good." . . . E. J. O'Connor, Cleveland Plain Dealer: "Present indications look very favorable." . . . Melvin E. Tharp, Columbus Dispatch: "Roto showing 3% gain; comics about even. It's too early for ROP color prediction, but signs are very encouraging." . . . Edward F. Maher, Toledo Blade: "A year-long strike of department store clerks cut heavily into our 1959 volume. Last half of the year was considerably better, with November and December showing good gain. Advance orders and contracts make next year look most encouraging."

► M. K. Giles, the Detroit News: "Auto industry anticipates 25% increase in domestic production. This will be reflected in Detroit economy. We expect sizable increases in consumer goods, major appliances and automotive — resulting in at least a 10% rise in general advertising."

Walter C. Kurz, Chicago Tribune: "Our advertising volume in first 11 months and 19 days this year was 450,000 lines ahead of year ago in total display. While classified was down two million lines—all in the help wanted category—help wanted is now running even with a year ago, with excellent prospects for 1959. Most of our advertising is not scheduled in advance. But in ROP color and Chicago Tribune Magazine, 1959 schedules have been considerably increased. We are estimating a sizable gain in all divisions for first quarter."

Norm Saukerson of the Milwaukee Journal: This newspaper's "large volume of general advertising, with many important schedules released just prior to insertion dates, plus the large number of test market schedules we run, make it difficult to predict lineage for 1959. However, we expect to show slight gains."

John S. LePoidevin, Racine Journal-Times: "Orders for national advertising received prior to December 19 in both years show an increase of over 147% for 1959. However, one large order came earlier this year. I think 1959 will show a reasonably good gain for papers of our size."

George McFadden, St. Paul Dispatch-Pioneer Press: "Unfortunately, the 1958 January strike destroyed comparative figures. We hope to see revenue running 2 to 3% above 1958."

John W. Moffett, Minneapolis Star and Tribune: "Based on increased advertising activity in these newspapers during November and December, and on plans we know for the first quarter, we expect substantially larger advertising volume in 1959. Classified—often a sensitive barometer for future advertising in all classifications—was up 17% in November and ran at a rate 10% ahead in December."

David Kruidenier, Des Moines Register and Tribune: "National lineage on our books today for January is almost 5% ahead of same date a year ago, with picture magazine (roto) and Sunday comics showing especially large gains. Iowa Farm and Home Register 1959 bookings are 35% ahead. We anticipate a national lineage increase of at least 10% in 1959. Retail and classified also are expected to show substantial gains. Stepped-up industrial activity, higher farm income and bumper crops make the Iowa market one of the top-spending areas in the country."

Don Feeney, Davenport Newspapers: "Total '58 advertising down 2% in dollars. Local advertising more than offset heavy losses in general lineage. This quad-city industrial area is again showing definite growth possibilities and we look for continued improvement."

R. I. Peele of Topeka Capital-Journal reported small 1958 losses in local and classified and a 14% drop in "national."

Publisher of a big Rocky Mountain newspaper is cheerful—but prefers not to be quoted.

Though M. E. Elder of the Tulsa World-Tribune has no specific figures on prospects, he expects a first-quarter gain in general advertising.

Dick Johnson of the Houston Chronicle: This newspaper's total lineage in 1958 declined less than that for newspapers as a whole. Meanwhile the Chronicle's color lineage rose 7%. "Business prospects for 1959 look better."

► Dallas and Fort Worth join in optimism. Amon G. Carter, Jr., Fort Worth Star-Telegram, reports national lineage already scheduled for 1959 down one-half of 1%, or only 4,107 lines. . . . Cy A. Wagner, Dallas Morning News: While national lineage for the full year 1958 was off 1%, "the last six months has shown a 2% gain. We are very optimistic about 1959."

Mayo C. Seamon, El Paso Times & Herald-Post: Retail and classified gains were "sufficient to make up the loss in general advertising, and we had an over-all 200,000-line increase in 1958. El Paso is booming. The Southwest is increasing in population. Cotton, cattle and copper markets are prosperous. More military installations are being developed."

H. B. Jette, Los Angeles Times: "We are estimating approximately an 8% lineage increase for 1959. Indications point to improvement in general, automotive and financial volume."

Kenneth Flood, San Diego Union

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Caldwell, Comrades and Kremlin

Marketing in Moscow

By JOHN H. CALDWELL
Managing Editor

THIS PHOTOGRAPH is symbolic of the interest Russians and Americans now show in each other. The young Soviet soldier on the left obviously is curious, and his friends on the right are not frightened at the idea of having their photograph taken with an American on Red Square in Moscow. The Lenin-Stalin tomb is just behind me, and the Kremlin, with Premier Nikita Khrushchev's office, is just a few feet beyond that.

Frankly, I felt self-conscious—just imagine having your photograph taken in Times Square, New York City!—but proud that I could take Sales Management's famed "Mar-

keting on the Move" November 10 issue to Moscow and find citizens of the U. S. S. R. interested.

Every American knows that salesmanship is unknown in Russia, and advertising, in the American sense, is neither understood nor practiced. So I went to the Soviet Union last month not to survey marketing, but simply as a tourist. I played it straight. I parked my personal feelings and prejudices at Prague for the flight into Moscow in the cockpit, at the invitation of the Czech pilot, of the Soviet's passenger jet, the TU-104A.

I went to Moscow to see how Mr. and Mrs. U. S. S. R.

live. I went to visit the stores in which they buy their food, drugs, clothing, appliances, furniture, and to see their housing, transportation, and entertainment.

I turned out to be a pretty good customer myself, buying, among other things, a paper replica of Santa Claus, some Christmas and New Year's decorations, and a souvenir bottle of "Capitol" brand, made-in-Moscow vodka.

I wanted to visit the two subscribers to Sales Management in Moscow, and ended up in an hour and a half private talk with the Soviet Deputy Minister of Foreign Trade.

I am chairman of a state mental hospital in Connecticut with 3,000 patients so I sought a visit to the famed Kashenko hospital near Moscow. There I was shown everything my mind and body could absorb in a strenuous visit. I set the pace of inspection and picked the areas for discussion. Both of our countries use tranquilizing drugs in similar ways.

Kitty, our chief telephone operator for 30 years, asked me to see if there are any pretty girls in Russia. I met six.

You would resent it if a Russian came to the United States, spent a week in New York in December, and left with a mind full of conclusions about our country as a whole.

I have just two conclusions about the Soviet Union:

1. Every American should visit Russia. A clerk in Macy's or Marshall Field's would get along fine with a clerk in GUM's on Red Square. Taxi drivers can argue in any language. Engineers respect engineers. And in our lifetime, I predict, the Soviet Union will need and want salesmen and sales executives. The biggest sale an American can make today to the Russians is of himself as an individual. We must grasp the present freedom to make people-to-people contacts. Obviously, we should encourage Russians to visit us.

2. Americans should learn the Russian language. Thousands of Soviet youngsters are becoming proficient in English-American English. They seek every opportunity—on the streets and in the stores—to polish their English by talking with Americans. Soon we will be at a severe handicap if we can not communicate in their own language.

View the following reports, not as conclusions, but simply as vignettes of the U. S. S. R.

Now, during the "thaw," it is easier for you to visit the Soviet Union than it is for a Russian to come to the United States. If you applied for your visa today, within two weeks you could be walking the streets of Moscow or Stalingrad. When you returned you would be flooded with questions from everyone—office boy to chairman. You would find such a trip a rewarding experience.

"Why Won't You Trade?"

Michail Romanovitch Kuzmin—chunky, bald, fiftyish, dressed neatly in a Boston blue serge suit—and his two male interpreters were ready to greet me and my interpreter the moment we walked into his anteroom in the Ministry of Foreign Trade at 11 a.m.

I suggested our ideas could be exchanged in 30 minutes, but our friendly and spirited conversation continued for 90 minutes. Soviet officials apparently either ignore requests for interviews, or give you unlimited time.

Kuzmin, Soviet Deputy Foreign Trade Minister, was prepared to talk. And I was prepared to listen. I had brought along a two and one-half pound Dictet tape recorder, loaned to me by Joseph Anderson, advertising manager, Dictaphone Corp. I demonstrated the machine

and kidded about making a tape recording of a high Soviet official in his own office!

Kuzmin was glad to see me. He had a message addressed to you, the sales executives of the United States. He asked me, but he was asking you, "Why is there a lack of will to trade with the Soviet Union?"

Kuzmin repeatedly returned to this question.

My repeated reply:

"You know the reasons as well as I do. Political tensions between our countries." Once I said, "American businessmen consider Soviet officials devious and underhanded." He denied the contention. I said that Americans like to lay their cards on the table.

A few days before my talk with Kuzmin, Senator Hubert Humphrey (Dem., Minn.)* had told me in Moscow that the question of trade had come up during his eight-hour conversation with Premier Khrushchev at which trade specialist and First Deputy Premier Mikoyan was present part of the time. Senator Humphrey told the No. 1 and No. 2 Soviet leaders that the U. S. S. R. should join the groups that supervise arbitration, patents, and copyrights for the Western nations; in other words, trade according to the rules observed in the West. (See page 7, "Russians Are in Our Lives.")

Kuzmin set this situation for me:

Our governments did not recognize each other in 1930. But our trade totaled \$138 million dollars. Now our governments recognize each other and thousands of Americans have come to visit the Soviet Union. [More than 5,000 alone in 1958.] The attitudes of our respective governments have not changed toward each other. But our trade today is only \$22 million (1958 estimated). Why?

Kuzmin, repeatedly, answered his own question by declaring, "It's a lack of will to trade."

I pointed out to Kuzmin that it is the Soviet Union which is eager to trade with the United States. I suggested that Soviet officials should learn at first hand how Americans compete with each other. I said if the shoe were on the other foot and Americans sought trade with the Soviets, we would find out what the Russians wanted and needed, and we would try to do our best to see that they were offered an attractive deal.

Kuzmin referred to me on several occasions as "the representative of American business." I denied the honor, reminding him that there is no representative of American business; that we do not operate that way. Business decisions are made by hundreds of thousands of American executives, and we advise and counsel each other, but no one would pretend at home or abroad to be "the representative of American business."

I have a hunch that Soviet trade officials are trying to locate a handful of Americans with whom they can conclude large trade deals. I suspect Soviet officials have no idea that it is necessary to influence thousands of management people in the United States today in order to make a sale. I tried to explain how Americans use advertising to sell their products and services to every level of buying influence. I suggested the Soviets do the same. Kuzmin offered no plan to influence today's breed of American businessmen. He continued fondly to recall the good old days of 1930.

I posed this situation to Kuzmin:

Suppose I were the head of sales of Greenfield Tap & Die, and I had learned I could make a sale in the Soviet Union, and I were interested. I know I could call on your

* When I introduced myself, Senator Humphrey exclaimed, "Sales Management! Glad you're here. I've been telling these people what they need is more salesmanship!"



GORKY STREET, the Fifth avenue of Moscow, in December. Large car, at right, is a taxi. It's a Zim, not an old Buick.

purchasing agency in New York City, Amtorg Trading Corp. Or, better still, I could go to Moscow and call on the president of the Trust that buys the kind of product I have to sell, and which the Trust purchases for all of the factories in the Soviet Union.

I said it would be nice to land a fat contract by making a single call on the Soviet home office. But if this were my first sale I would be uneasy unless I could visit the using plant and talk with the people who would use my product in the plant.

Then I asked:

How could I learn the location in the Soviet Union of using plants? Suppose I discovered there was a using plant in Stalingrad, how could I obtain the plant name, its address, and the names of the general manager and the chief engineer, for example? Would I be allowed to visit the plant? Would I be permitted to bring along my chief engineer? I suggested Soviet officials might consider this act industrial espionage, but I said users, in the United States, are happy to have suppliers visit their individual plants and talk with their engineering people.

Kuzmin missed the point. He replied that if Americans bought Soviet products—he mentioned Dresser Industries' licensing of the Soviet turbo oil drill—they would be permitted to visit Soviet production factories, and he would expect Soviet officials to visit American factories.

When I pointed out the difference to Kuzmin, he replied, "You're talking about technical assistance, and if we want that, we will ask for it."

My reply:

Yes, but it is the Soviets that want to do business with Americans, not the other way around, at the moment. [It came as no surprise that Soviet trade specialist, shrewd, tough, hard-bargaining Anastas Mikoyan applied in late December for a visa to visit the United States for several weeks, commencing January 5.]

In the United States, sales executives, sales engineers, and their technical people are welcome in a user's plant. The user knows that all sales-technical people will help him get the most value out of the products he buys. Sellers have learned from long experience that such visits will secure them, in the end, larger orders and satisfied,

long-term customers. A single-shot customer hardly is worth the bother.

If the Soviet Union does not allow Americans to visit Soviet plants, I went on, your plant managers and chief engineers are likely to say, if our products do not live up to your expectations, "these damned American products," or "those damned G. . . products." As a matter of national and company pride we would not want that kind of situation to arise with any customer, especially a new customer.

It was obvious that Kuzmin and Caldwell had differing views on how Russians and Americans could promote trade with each other. I am eager to learn more about Russian policies. I am convinced that political tensions could be eased if Soviet officials learned at first hand about American trade methods.

How would you have answered Kuzmin's question, "Why is there a lack of will to trade with the Soviet Union?" Give me your views and I will consolidate them with the views of subscribers and forward to Kuzmin.

The last time Kuzmin asked why Americans "lack the will to trade" with the Soviets I asked him to itemize what he considers to be the major trade barriers. I wrote them on his perforated note pad, with an Eberhard Faber pencil from his desk, just as he gave them to me.

1. Blacklist. (This refers to the list of strategic products banned by act of Congress for trade between the two countries.)
2. Most Favored Nation Act. (The Soviet Union is not included.)
3. Certificates. (United States requires importers of certain products to certify that no slave labor has been used in their production.)
4. Tariffs.

I suggested one major barrier to trade is the simple fact that American businessmen do not know how to get in touch with Soviet prospects. Kuzmin denied this. He said that Americans knew how to get in touch with us in 1930 and why don't the same Americans get in touch with us now? I pointed out that managers of many businesses in America today are between 40 and 55 years of age and that most of those probably were far too young to have participated in trade in 1930. At this point one of his two male interpreters left the room and came back with an attractively designed booklet, "Soviet Foreign Trade Organizations." The booklet pictures and describes the kinds of products the Soviet Union has for export. You will be surprised at the wide variety of industrial and consumer products offered for sale. For your copy address Michail Romanovitch Kuzmin, Deputy Minister of Foreign Trade, U. S. S. R., Smolenskaja-Sennaja, Moscow, G-200, U. S. S. R. (See page 85, "Why Russia Is So Nostalgic About 1930.")

Advertising in Moscow

Don't bother to look. You will not find advertising as we practice it in the United States.

There are no ads in the newspapers or magazines, no commercials on TV or radio.

Some posters exhort people to "Drink milk" or "Catch Up with America."

One day in CUM's, the Macy's of Moscow, I heard a pleasant but commanding female voice over the public address system. My interpreter said she was urging shoppers to buy their Christmas things now, not to wait until

the last minute and get caught in the rush! Russians observe Christmas on January 7.

Point-of-purchase displays or information signs are almost non-existent, but badly needed. For example:

In a food store a sign proclaimed, "Green cheese is good." That was the special of the moment. Finally, I located some packages of green cheese in an out-of-the-way part of the counter.

Soviet Ads in the U.S.

The U. S. S. R. is shopping for an advertising agency to service it in the United States, reports Larry Schwartz, president, The Wexton Co., New York, one of the agencies sounded out.

The Soviets could use advertising. For example, you have to be a magician to discover the address and telephone number of Intourist, the only agency which handles travel of foreigners in the U. S. S. R. Intourist is not listed in the Manhattan (New York City) telephone directory.

Soviet officials are suspicious of advertising and American media. Deputy Foreign Trade Minister Kuzmin doubts that American media would accept Soviet advertising. "They would call it propaganda," he declared. I asked him, "Have you tried?"

In addition Kuzmin points out the Soviet Union trades with 70 nations and advertises in none. "Why should we advertise our products in America?" he asked in a friendly but barbed tone.

My reply: "Americans use advertising when they compete with each other."

What Is It Like . . .

In a Drug Store?

If you are 45 years old you will recall what a drug store looked like in your grandfather's day. That's a fair picture of the appearance of drug stores in Moscow today. The rubber goods on display on the old-fashioned counters are dusty and look as though they would crumble if touched.

Prescription counters look like prescription counters in most any European country. Just old-fashioned in appearance. But they are crowded day and night, as are all retail stores. I have no way of judging quality of product. We have learned from Sputnik—and now Mehta (dream) the Soviet's cosmic rocket—not to accept the surface appearance as reality.

In an Appliance Outlet?

You would laugh at the washing machines, irons, refrigerators, stoves. But people eagerly buy. And it's all cash and carry. People say that quantity and quality today are better than a few years ago. They compare with their past, not with goods in Western nations.

In a Food Store?

You would love the long lines waiting to buy anything for sale. Can you imagine the central part of your city filled with food stalls, inside massive buildings built like Federal office buildings in the United States? That's downtown Moscow. Gorky Street, the equivalent of Fifth Avenue in New York City, is lined with a series of small shops, many of them devoted to fish, meat, milk products, ice cream parlors, candy shops, and places to buy liquor by the bottle.

In a Clothing Store?

Men's suits are hung on what Robert Hall would call plain pipe racks. But the Soviet customer must stand be-

hind a wood counter to look at his suit. We can't imagine any American who would be caught dead in suits of top quality in Moscow. But we must bear in mind the Russians find quality today better than two years ago and that is their measure of judgment.

In a Shoe Store?

Do Russian men and women have shoes that fit? If they do it is a miracle. There were a dozen customers waiting to sit down in each fitting chair in each store I visited. And not waiting patiently, either. The pressure to buy obviously is great. What we would call a cheaply made pair of men's shoes costs from \$18 to \$30—at the tourist rate of exchange. This is 10 rubles to the dollar; the official rate is four rubles to the dollar. A pair of ladies' open toe shoes cost 400 rubles or \$40.

At GUM's?

This is the Macy's of Red Square, the show place of retailing in the Soviet Union. It is an arcade, a series of little shops. For the best description of this fabulous store, read Caroline Bird's article in March Coronet, "GUM: Museum of the Soviet Future." Miss Bird's article, "What Makes a Russian Manager Tick" is in Sales Management, January 2, page 32.

How to Be a Customer in Moscow

Get out your track shoes. Then take a few lessons from a Notre Dame tackle on the best way to break through the line. Forget courtesy. Shove!

But you must be patient because all other Moscovites are adept at bucking the line, too.

Name any product you want to buy. In almost every instance you have to wait in line to see if it is available and to learn the price. Then you move into a second line that takes you to the cashier. Then you take your "chit" into a third line to pick up your product.

Above all you must have a sixth sense. Somehow people in Moscow "get the word" that fur hats with leather tops will be on sale at GUM's, for example, or that women's

(continued on page 85)



TIMES SQUARE of Moscow, at foot of Gorky street, as seen from author's hotel room. Caldwell took photos everywhere.

If You Can't Keep Your Best Salesmen—

—are you sure you know why? This company president reminds you that these men are your single greatest asset. He tells why good men too often seek greener pastures. And he spells out clearly what you and your firm must do if you want to hold them.

By WALLACE JOHNSON
President, Up-Right Scaffolds Division of
Up-Right, Inc.

THE BEST SALESMEN any of us have in our organizations are more valuable than the best we can go out and hire, because:

- the risk in hiring them is over;
- they are already trained in our sales methods;
- their performance is proved.

It doesn't show on the balance sheet, but in my opinion the best salesmen in an organization, taken as a group, constitute the single best asset a company has. I am thinking, of course, not about order takers but about the really creative, top producers. It is to these priceless individuals only that I shall be referring here.

What happens to some of these men? Men like Jack B.? I knew Jack. He took over a well-worked territory for his company, operating on salary plus commission. He worked hard and in a relatively short time had doubled the previous best sales of the territory. Ambitious, adventuresome, he kept at it and before long his annual earnings were almost equal to those of his sales manager.

Was Jack congratulated and made to feel that his work was appreciated? Not exactly. The sales manager split his territory and gave part of it to another man. Jack quit. The sequel? Both territories were soon droning along the way they were when Jack first took over the area, producing half as much as Jack was able to produce alone.

This is not a rare case. Not by any means. During the past 15 years I have interviewed hundreds, perhaps thousands, of salesmen. One of the questions I always ask is: "Why are you leaving the company you have worked for?" The man may not always give his real reason at first. Sometimes it takes further probing and analysis of his remarks and of his references. Sooner or later I do find out the true reason. The main ones

Why Good Salesmen Quit

Financial Reasons

1. **They want more money.**
 - a. They're on straight salary with no commission incentive.
 - b. Commission is too low to be significant or is too complicated.
 - c. Territory is inadequate.
2. **Changes are made in compensation because salesman is "making too much money."**
 - a. Territory is reduced or split.
 - b. Quota is raised.
 - c. Commission is cut.
 - d. Salesman is put on straight salary.
 - e. Big deal is appropriated as house account.
3. **Compensation policies are unfair.**
 - a. Group bonus is paid without relation to individual salesman's effort.
 - b. Arbitrary bonus is paid without relation to salesman's effort.
 - c. Indefinite bonus—"melon sliced at end of year, some years"—means that salesman never knows what to plan on.
 - d. Salesman accepts salary with promise of future bonus which never materializes.
 - e. A better territory is promised but not given.
 - f. Some pet salesmen are on better pay basis than others—and word of this inequity gets around.
 - g. Commission earned in one calendar quarter is not paid until the end of next calendar quarter. Gradually the salesman realizes his earnings are being used as working capital, and that if he quits he loses earned commissions for present quarter.

are summarized in the box on these pages.

Any sales executive can offer himself a stimulating challenge by asking: "Have I ever lost a good salesman?" or: "Is it just possible that tomorrow morning one of my best men will walk in and submit his resignation?"

If the answer to either or both questions is "yes," that is a danger signal. The company's best asset is in jeopardy. What can be done about it? First, I would say, let us analyze the summary of reasons why men have left good jobs and will continue to do so.

It is to be expected that money should stand at the top of the list. Every salesman should have some individual financial incentive in proportion to his ability. No other measurement will do. My own observations lead me to believe that for the type of salesman we are discussing, the commission should be substantial and straight line; also, that the sales potential of a man's territory should slightly exceed his ability.

The sales manager who is looking in the mirror after finding that he has lost, or is likely to lose, a top-notch salesman, should now ask himself: "Can I endure the thought of my top men making as much money as I—or other management executives—make?" Most executives cannot endure this, even though the salesman's performance is highly profitable for the company. The split territory or some other device for providing a "handicap" is the usual answer to the performance of men like Jack.

► Now meet Henry—a fireball as a salesman. The company which was fortunate enough to engage him was almost broke when it took him on. Subsequently it prospered. Time passed. Henry's earnings soared until they exceeded \$15,000 a year. The management cut his commission from 5% to 2%. Henry quit. A year later, the management fired the sales manager. The company went broke.

Another pinch-penny company was delighted when ambitious John was willing to go to work for it on straight

commission. The territory he took over was mediocre, but John proved to be a real producer. His sales manager was dismayed at the size of John's monthly commission. He decided to place him on a straight salary. John quit. The territory lapsed into its former mediocrity.

Here's another look in the mirror. Sam took on a poor territory on salary and 5% commission. A few years of effort made of it a top-ranking territory with increasing potential. A big, unexpected deal (\$50,000) came in from Sam's territory but happened to be communicated directly to headquarters. Sam did not actually make the sale but rightly claimed that he should receive the \$2,500 commission on the deal, because his efforts over the years really had produced this business. His sales manager was appalled at the idea that Sam would get this \$2,500. "For what?" he wanted to know! He decided the deal constituted a "house account." Sam quit. The territory became stagnant again. In fact, the company is now having

(continued on next page)

Non-Financial Reasons for Quitting

1. "I am leaving the company because I don't feel I have any future."
 - a. There's no chance for advancement.
 - b. There's no prospect of increased earnings.
 - c. Company can't (or won't) give salesman a better territory.
 - d. There's no security for the future.
2. Salesman lacks confidence in:
 - a. Company product—customers are dissatisfied; quality is low; market is too limited.
 - b. Company policies—nepotism is practiced; no foresight is shown; vacillation occurs.
 - c. Sales leadership—supervision is poor; boss's behavior is eccentric; there's low group morale; relationship with supervisor is too impersonal, not congenial.
3. Working conditions are unfavorable.
 - a. Territory is too large necessitating too much travel.
 - b. Too much entertainment of customers is required.
 - c. There's too much service work.
 - d. There's too much office work and too many reports cut selling time.
 - e. Training, both initial and follow-up, is poor.
 - f. Dull routine—there's nothing exciting, unique or interesting about the product.

How to Make Them Stay

You will keep your best salesmen if you can answer these four questions with a decided "yes":

1. Would I, in his position, be satisfied with my earnings, my financial incentive, and the fairness of company policies?
2. Would I, in his position, feel that I had a future?
3. Would I, in his position, have confidence in the company product, company policies, leadership?
4. Would I, in his position, be willing to do the job under the same working conditions?

If you have been able to honestly answer "yes" to each of these questions, then the Golden Rule must already be in effect in your sales organization, and the chances are "you can keep your best salesmen."

difficulty keeping a salesman on it.

These four true stories are not isolated cases. The fact that they could be multiplied by instances from businesses across the land warns that greed and shortsightedness are still killing the goose that lays the golden egg.

But management men need to look also to policies which top-producing salesmen find unfair. Take the group

bonus plans that are in effect in many firms. The best salesmen realize they are carrying the drones. They quit. Who can blame them? I have never heard of a good group bonus plan for salesmen. A bonus should be individual and related to the individual salesman's effort and production. Unless it is so related, the incentive is lacking.

The half dozen unfair compensa-

tion policies listed all have lost top-producing men to companies I know. The more ambitious, energetic, creative, a salesman is, the more quickly he will resent artificial compensation policies, uncertainty, inequity, favoritism or situations in which he is trapped whether he remains on the job or quits.

At this point, let anyone employing salesmen searchingly ask himself:

The Golden Rule in Business

When Wallace Johnson, now president of his own firm, Up-Right Scaffolds, Berkeley, Calif., was a mechanical engineer, a plant foreman, a salesman, a general sales manager in several different companies, he was challenged by the thought:

"What if a business could be started new, traditionless, with no crippling practices, 'good' or 'bad,' to contend with? What if you could simply start out with nothing but a good idea, a sound product, and the Golden Rule?"

Well, he has had a chance to do just this and to verify his belief in the potential of such a business. In 1946, Johnson invented something completely new in scaffolding—a portable aluminum structure, easily erected, mounted on castor wheels, with no nuts, bolts or loose parts.

"It proved readily salable by demonstration of its advantages," he says. And that's pretty much of an understatement. In 12 years his company has grown to the point where it covers the United States and many foreign countries. Twenty salesmen, one in each principal city of the nation, are selling Up-Right products (there are now many) direct to the customer.

The products include, in addition to the portable scaffolds, similarly designed stairway-type radio towers, the Tallescope (a telescoping aluminum work platform) and related devices.

There are three main markets for this equipment: (1) industries of all kinds, for construction and maintenance work; (2) contractors whose work may be facilitated by use of

a scaffold that can be rolled around as the job progresses—painting, electrical installation, glass acoustical tile, heating and ventilating, overhead sprinkler installation—in effect, all the sub- and specialty contractors; (3) operations in which

a number of foreign countries.

Up-Right is the leading company in its field. It introduces some new product practically every year. It is a privately owned corporation whose managers are the sole stockholders.

Its guiding principle is and has been from the start, says Johnson, "the Golden Rule, in every area of contact with employes, suppliers, and customers."

Wallace Johnson is still a young man despite his broad experience. He was born in Fort Dodge, Iowa. After his basic schooling, he entered the California Institute of Technology, Pasadena, graduating in 1935 with his B.A. in mechanical engineering. During the ensuing 10 years he had varied industrial experience including 4 years with Procter & Gamble as factory foreman. For several years he was in the manufacturing, then the selling end of machine tool enterprises.

During the war years he was general sales manager with the Joshua Hendy Ironworks at Sunnyvale, Calif. This firm was a large manufacturer of steam turbines and other machinery, principally for ships.

In 1945 he went into business for himself as a consulting mechanical engineer. The following year saw the start of his own entry into manufacturing in this field.

A resident of Berkeley for the past 20 years, Johnson has a son in college, two daughters in high school.

His hobby: raising registered Hereford cattle at a family ranch near Healdsburg, Calif.



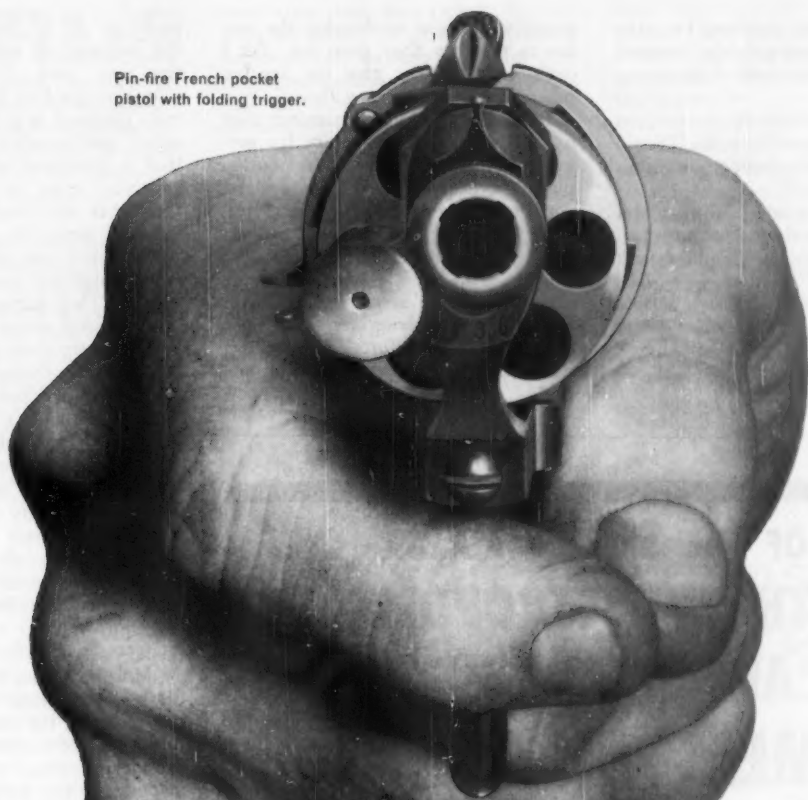
WALLACE JOHNSON

maintenance is a problem—institutions and commercial businesses, schools, city, county, state and federal buildings, military bases, public utilities, hotels, department stores, museums.

The company is the world's only manufacturer of portable radio towers, used by the military and by telephone and television companies, principally in connection with microwave relays. For example, a 300-foot tower can be erected by eight men in six hours. Surveying of all sites for the Distant Early Warning line in the Arctic was done with Up-Right towers.

The same scaffolds and towers are being manufactured and sold in

Pin-fire French pocket
pistol with folding trigger.



It's Loaded

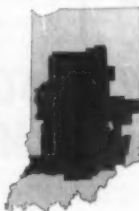
with buying power...

THE INDIANAPOLIS AREA*

If your target is sales—and more sales—just squeeze the trigger! You can't miss the bull's-eye in this rich, diversified market. With each shot, you'll hit customers and prospective customers that not only want the best in life, but can afford it. In Indianapolis, "people buy more because they have more." High family income keeps Indianapolis retail sales shooting up and up. Last year, the average family spent \$4,620.00 in the retail market—placing Indianapolis 11th among cities over 600,000!† Simply aim and shoot . . . and the best ammunition, of course, is The Star and The News. They give you saturation coverage of metropolitan Indianapolis and a bonus coverage of 56.4% in the surrounding 45 county area.

†Sales Management; Survey of Buying Power, 1958

*THE 45-COUNTY TRADING AREA
THAT'S BIGGER THAN YOU THINK!



Population:	2,117,100
Income:	\$3,740,248,000
Retail Sales:	\$2,472,792,000
Coverage:	56.4% By
	The Star and The News



STAR Morning & Sunday
NEWS Evening

KELLY-SMITH COMPANY • NATIONAL REPRESENTATIVES

"Would I, in their position, be satisfied with my earnings? My financial incentive? The fairness of company policies?"

The next question to answer, as honestly as we know how, is: "Would I, in my salesman's position, consider that I had a future?"

How often I have heard an ambitious salesman with real ability say: "My boss is only 45. Should I wait for him to die off?"

Or: "My company has such a rigid compensation policy, they won't change it no matter what I produce."

Or: "I've done everything that can

possibly be done to develop the mediocre territory they gave me. Yet I can't get them to give me another where I can really show them."

In some firms limited earnings may leave a man no opportunity for saving, yet the company has no pension plan or other security—"They just let you go when you're too old to produce."

It has been my observation that companies in general have done very little on pension or savings plans for the type of salesman we have been discussing. Most efforts in this direction are in companies where the ma-

majority or all of the salesmen are in the category of routemen or promotion men, men of secondary ability, who are lured at hiring time by the cozy prospect of a substantial straight salary and pension security. A firm that is interested in the more adventuresome type of salesman rightly feels that this kind of security lure will not tempt its prospects. Nevertheless, such men will respond warmly to thoughtful consideration of their futures. They know, and we do, that the day will come when they won't have the zip they started with. The top sales producer is like the good field general: When he's through, he's through; you can't give him an arm-chair job. What about suitable pension plans as just one more means of keeping our best salesmen?

Old age security can't and shouldn't be used to attract the creative sales producers. But, all else that we are analyzing being equal, it may weigh heavily in the scales in favor of company loyalty.

► More salesmen than most managements ever know leave apparently good jobs for the reasons I have listed under lack of confidence—in company product, company policies, and sales leadership. The higher the caliber of salesman, the more heavily these factors will weigh. He can't tolerate justified dissatisfaction in his customers because satisfying his customers is one of the foundation stones of his success. Personal integrity is another of his assets. Therefore, his morale is undermined if he is placed in the position of selling a product whose quality he cannot stand behind in the name of his firm.

Salesman George was such a man, in such a situation. He was called upon to introduce a widely advertised new model adding machine. His demonstrator broke down repeatedly, even during his own demonstrations. When he reported the fact to his sales manager, the latter admitted that the machines were faulty. But management required that the men go on selling the model during the period that the engineering department was making feverish efforts to correct the trouble. Wasn't this shortsighted company policy?

One of the first questions a manager should ask is: "Would I, in my salesman's place, have confidence in the product he is being asked to sell? In our policies? In our leadership?"

The two last are important. Even with a first-rate product to sell, serious lack of confidence may develop if policies are unrealistic. An experienced salesman knows his territory

OF THE SEVEN MAJOR SOUTHERN METROPOLITAN AREA MARKETS* MEMPHIS IS...



**IN RETAIL
SALES PER
HOUSEHOLD**

1. Dallas	\$5,270
2. MEMPHIS	4,715
3. Atlanta	4,688
4. Houston	4,172
5. Louisville	4,065
6. Birmingham	3,748
7. New Orleans	3,745

**"To Sell the SOUTH...
You Must Sell MEMPHIS"**

* Areas in the 500,000 to 1,000,000 population group.

** S. R. D. S. October 15, 1958

**THE
COMMERCIAL APPEAL
MEMPHIS
PRESS-SCIMITAR
SCRIPPS-HOWARD NEWSPAPERS**

and produces according to its limitations, but management has fantastic expectations. Some salesmen must wonder: "Why doesn't the boss get out into the field and learn the facts?"

Nothing undermines confidence like nepotism. Can your best salesman say, with justice, "All the plums are given to the boss' nephew—or to his son-in-law?"

Lack of foresight by management hardly inspires confidence or stimulates a good man to his best effort. ("When they appointed those dealers, couldn't they see that they'd be competing directly with the company's own salesmen?") Vacillation also kills ambition. ("They change the company plan about once a year. You never know where you are.") And poor leadership quickly takes the heart out of the best salesmen.

► How many salesmen can truthfully say of their boss: "I never know what mood I'll find him in"? Or: "Consult my sales manager on the problem? Heck, he's always off somewhere playing golf." Are they justified in feeling that absurd secrecy shrouds management's dealings with other salesmen? "I don't know anything about the other salesmen's performance" is a complaint too often heard. Do the men feel rapport with their sales supervisor, or will they shrug and say, "Him? I don't even see him very often?"

Many of these complaints and doubts are at least as prominent as money in convincing a company's best salesman that he would do better somewhere else. Something else that can loom larger than compensation is working conditions.

If I overheard one of my best salesmen say: "Gosh, I'm lucky if I get home once a month!" I'd consider that a danger signal. There certainly are solutions to that all-too-common problem. Salesman Charlie was in the position of practically writing off his home life. He covered a territory which required regular, two-week trips which he made by automobile. The distance was too great for him to drive home week-ends.

But an alert sales manager figured out, in spite of this, that Charlie could return home for the full week-end in the middle of each of his typical two-week trips if he did it by plane. Cost more? Actually, the economics was in the company's favor. The round-trip plane fare between the distant city where he had his home and the territory he covered was less than the cost of hotel bills, meals, and incidentals incurred over the week-end away from home. More important, each of the former lonely

week-ends was now spent happily with his family. (A quiet aside: Lonesomeness can be responsible for getting a salesman into far more trouble than any innate disposition to irregular behaviour.)

It is up to management to solve the problems of unfavorable working conditions, whether the salesman's complaint is that he is required to do too much entertaining, or that he is so inundated with paper work that he doesn't have enough time for selling.

Is one of your best men likely to remark: "They just gave me a price

book and told me to go sell"? Is another like the salesman who said, after a year with his company, "How is it made? I've never even been to the factory?"

If a good man lapses into uninspired selling, if another gets bored because his product is just like every other in its class and quits for a more exciting job, is he to blame? Or has his sales manager or company management failed to lift the product out of the routine class?

I do not believe there is any product so dull, so commonplace or so highly competitive that it cannot be

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made distinctive at the selling end. Take tooth paste. The company that recently brought out striped tooth paste gave its salesmen something to talk about.

A product that is not demonstrated allows no outlet for the ham actor in nearly all salesmen, provides no opportunity for excitement. Yet there is hardly anything salable that cannot be demonstrated, in my experience. It could be said of Up-Right's product—scaffolds—that it doesn't lend itself to demonstration. Yet from the outset, it has been sold entirely by demonstration. Salesmen in the United

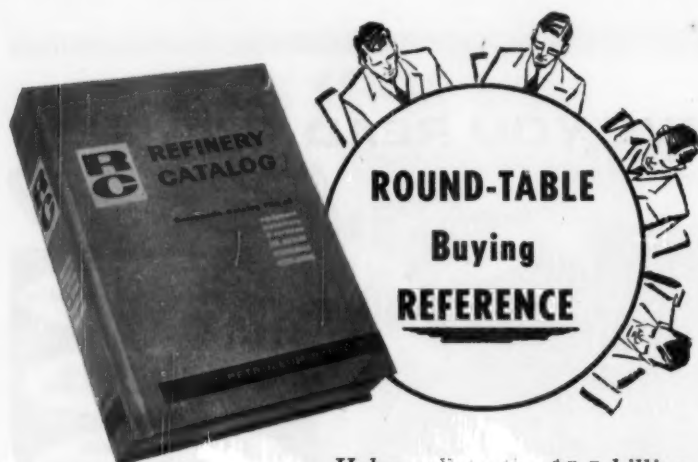
States, Canada, and in European countries carry full-size scaffolds in their station wagons and show them to prospective customers in a dramatic manner.

If we were selling something as bulky as bulldozers, I'd still insist on the drama, the excitement, of demonstration, not only because it sells, but because it keeps the salesman himself interested. I'd either set up a bulldozer on a job, or find out where one was being used and take my prospect out and let him work the machine. And I'll wager that the prospect would never have had so

much fun in his life. These are just a few hints of what I mean by working conditions. Ask: "Are my salesmen bored or stimulated by my sales methods?"

To sum up: In this day and age in the United States, management cannot expect the best salesmen to stay on a job where unfavorable or unreasonable conditions exist. There are too many good sales opportunities available to first-rate men—the ones we want to keep. They won't settle for conditions that cause them to neglect their families; they won't stay in situations where they're frustrated because too much of their time and effort is taken up with non-sales work. It's tragic, the number of companies that exert great effort to hire good family men and promptly put them on a regimen where real family life ceases to exist. Or where discouraging obstacles are placed in the way of a man's exercising the very abilities he was hired for.

One of the most profitable projects any good company can set itself is a program for keeping its greatest asset—the most productive salesmen on its staff. ♦



... Helps sell to the \$5.5 billion Refining-Petrochemical Industry

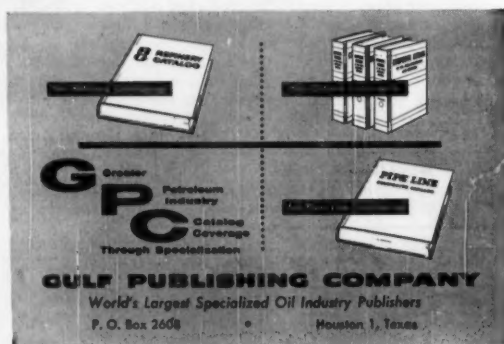
Purchasing in this \$5.5 billion annual market is a group activity, involving the recommendations of many key men. In addition to design or project engineers, the entire round-table of decision makers is covered by selective distribution of **REFINERY CATALOG**, to some 98% of the industry's known buying power at more than 9,000 buying locations.

REFINERY CATALOG fulfills a recently surveyed preference of 8-to-1 for a single buying reference over individual suppliers' literature. Through a quarter-century of usage, buyers have developed the habit of looking first in **REFINERY CATALOG**.

Be sure your catalog is there when your customers reach for their favorite buying reference—**REFINERY CATALOG**.

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SALES OFFICES
Houston New York
Chicago Cleveland
Los Angeles Dallas
Tulsa Hannover
London



A Designer Speaks Up:

"It is a known fact that there is more design talent concentrated in the auto studios in the factories in Detroit than anywhere else in the world. Isn't it strange that this talented group can excel at creating good shapes and often fail so miserably when it comes to applying tasteful trim?"

"This is the point where too many executives like to get into the act and do what they lovingly call the 'merchandising type of styling.'

"The well trained designer is the best man to apply these rules and he should be allowed to do so without interference from well meaning executives, or eager sales managers.

"Only good design can succeed, because believe it or not, most of the people . . . have much better taste than they are given credit for. They proved this when they refused to buy the 1958 models—and you cannot blame this on the recession."

Carl Sundburg, President
Sundburg-Ferar, Inc.

The
New Year's
here



and
we're
seeing

DOUBLE

On top of the biggest fourth quarter in Post annals (and we've got a lot of annals) comes our Jan. 3 issue with double the pages and revenue of the comparable 1958 issue! Seems the word's getting around... and that word is Post-Ad Page Exposure!

In a sentence, Ad Page Exposure means: 29 million times each issue, someone turns to your page in the Post!

A CURTIS MAGAZINE



How to Give Away a Candidate for the Derby

JUST ABOUT THE TIME you were tossing out the remains of the Christmas tree and packing away its baubles, the Charles W. Hoyt agency was getting feverishly to work on what will be Christmas-in-May for some clever name dropper.

For some years the Hoyt people have had the Mail Pouch Tobacco Co. as a house client. When Hoyt first hooked up with Mail Pouch its Kentucky Club pipe tobacco was distributed mainly in the Middle West, was almost an unknown in other parts of the country. But thanks to Hoyt's suggestion that Mail Pouch give away a thoroughbred race horse each year, the tobacco company's brand name is becoming a household word. (The contest that opened this January 1 will be the sixth one Hoyt has run for Mail Pouch. Two years ago it had reached such proportions that more than 500,000 people entered.)

► The idea grew out of a weekly brainstorming session at which someone ventured that a race horse contest would be type casting for a tobacco company whose product had "Kentucky" in its name.

Maybe you remember the first winner. She was a Massachusetts grandmother, the widow of a policeman. Her horse ran until last year when she sold it to a retired gentleman farmer. And she did all right with her mare while she owned it.

It was the agency's Bill Dingleline, vp and copy chief, and Mail Pouch account executive, Bill Baumert, who polished up the suggestion to give away a horse to the person who submitted the best name for it. The contestant had to make a purchase of the company's tobacco in order to get an entry blank. To make sure that Hoyt wasn't accused of favoritism in choosing a winner, The Reuben H. Donnelley Corp. was selected to do the picking.

When skeptics around the Hoyt shop raised the question, "Who the hell would want a racehorse?" Messrs. Dingleline and Baumert had the answer: "Thousands of people!" They had even unearthed statistics to back up their point.

And so the Kentucky Club Derby Day Contest was born. The agency has bought a fine hunk of horseflesh each year since. It's publicized the contest, annually, in 12 Sunday supplements of newspapers, two general magazines and three men's publica-



THE HOYT TEAM looks over its purchase. He's just Hip Number 56 on the books. Soon he'll have a new name and owner. He's a give-away in Mail Pouch contest.

tions, and used radio—all to make America racehorse happy.

To date, two fillies and three colts have been given away and all but one of the winners have kept their prizes. (The one dissenter was a college professor; he sold his for \$5,000, then watched it win close to \$40,000 for its new owner!)

Where does Hoyt get its prize horses? From the same place many of the world's great horses are bought: Saratoga. Each summer since the contests began, a team of Hoyt-ites has travelled upstate to Saratoga for the famous horse auction. This summer the team's captain was Jack McCormack, who—until he took over from Baumert as account executive—wouldn't have known a racehorse from one of Borax's 20 Mule Team. He's quite a judge of the bang-bangs now, though.

His squad included such veterans as Lew Haggin, a horse trainer from the Blue Grass country; Chuck Swart, Jr., a hocks and sesamoid expert who also doubles as vp of Mail Pouch's advertising; Ted Atkinson, the noted jockey, and Ted Worner, an ex-sports writer who now heads his own public relations firm and handles the p.r. on the contest.

From morning 'til night, for four days, this team of toilers looked at horses, more horses and still more horses.

The price of horseflesh rises year by year. Hoyt bought the first Mail Pouch filly for \$3,500. Two years later it took \$9,200 to wrap up the prize. But a \$3,500 horse might just do better in the long run than a \$20,000 one. One such, passed over by Hoyt, was bought by Elizabeth Arden. It has won close to \$250,000.

What happened to the horses previous winners claimed? You already know about the first one. The second—whose winning name is Delphidessa—is still running.

The third, Aurecolt, was the one the professor got.

The fourth, Ali Hurry Bhai, was won by a San Francisco housewife. It developed a tumor and died. But it was insured for \$15,000.

Last year's prize, Hasty Transit, also won by a housewife, is being made ready for winter meetings.

Hip Number 56—who'll get a new name from this year's winning contestant—is living it up in Lexington, Ky., at the moment. He's being schooled for the track, like dozens of his forebears. ♦

You could sense the start of the surge months ago. Now the early rumbling has grown to a thundering roar.

And the mighty upsurge of The Saturday Evening Post towers there—for all to see:

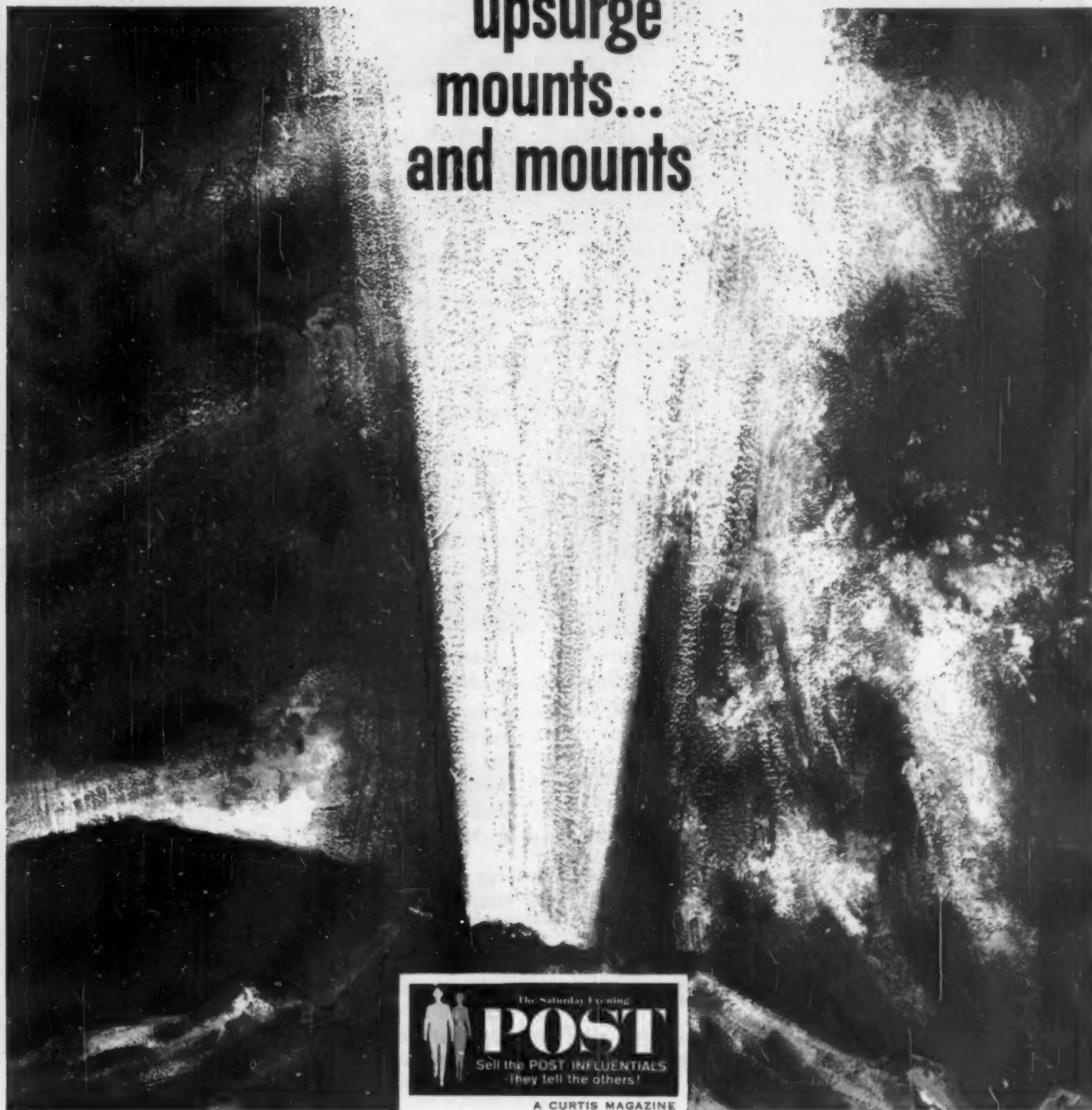
- Soaring circulation took the November 15 and 22 issues of the Post to over 5,900,000 copies!
- On newsstands—the acid test of reader demand—the Post now sells as many copies as the other two major weeklies combined! Outsell them in newsstand sales by nearly 2 to 1 in food and drug stores. Outsell them, too, on the nation's college campuses.

- The Saturday Evening Post's solid increase in share of market grew and grew as the year wore on. A huge spurt in advertising revenue set a new fourth-quarter record—an all time high of \$25,900,000! October itself had a 24 per cent revenue gain over the same month last year!

- New advertisers streamed in—a remarkable 279 in all—to take advantage of more than 29 million exposures to Post-Influentials for every ad page they run!

These are the cold facts and the bare figures... but read between the lines. Read and discover for yourself the pulsing vitality that makes an advertising medium great.

The mighty upsurge mounts... and mounts



Proved! More than 29 million reader exposures for your Post ad page

JANUARY 16, 1959

Coming February 6:

What Management Expects From Its Marketing Arm Today

How well sales executives meet the marketing challenges of the dynamic '60s will be determined in large measure by management decisions made this year—1959.

Sales Management's editors, led

by Senior Editor Lawrence M. (Mike) Hughes, fanned out over the nation to talk with presidents and chairmen of nine major corporations in their home offices to get their answers to the pivotal

question, "What does management expect from the marketing department today?"

Here is a preview of their answers to be published in 19 exciting pages of the February 6 issue:

PAUL S. GEROT, president, Pillsbury Co., St. Paul:

"We've decentralized our 90-year-old business into 11 divisions, each of which has its own marketing or 'revenue' function. We're persuading a lot of competent young men that the food industry—and specifically Pillsbury—is not only stable but dynamic."

JAMES R. PRICE, chairman of National Homes Corp., Lafayette, Ind.:

"Our 'marketing' is a major educational job to help our builder-dealers sell the advantages of component or 'prefab' homes—and currently our new line with aluminum roofs and sidings. We're striving to improve land development as well as building."

ELISHA GRAY, II, chairman of Whirlpool Corp., St. Joseph, Mich.:

"In going 'full line' under our own brand since 1955, we've multiplied marketing manpower from 50 to 280. Whirlpool also has trebled advertising expenditures to \$20 million. The \$13 million spent annually for product research and development is based on the 'marketing concept.'"

GEORGE ROMNEY, chairman and president, American Motors Corp., Detroit:

"Dealer development has been a strong factor in Rambler's rapid rise. The 'compact' car concept will still have to be sold. In its further expansion tomorrow, American Motors will need more managers. But those in key posts predominantly will be promoted from within."

CHESTER H. ROTH, president, Kayser-Roth Corp., New York:

"Our business is all apparel. We're set up in divisions, each of which manufactures a specialized

line. Each is autonomous. Each has its own special marketing problems. So each needs its own sales chief. Our divisions function separately. But each has problems common to the others; each benefits—through our President's Council—from the marketing experiences and know-how of all the others."

H. L. BARNET, president, Pepsi-Cola Co., New York:

"Our whole business is the business of marketing. It's a merchandising and advertising promotional business. . . . The manufacturing aspects are strictly secondary."

JAMES HILL, JR., chairman, Sterling Drug, Inc., New York:

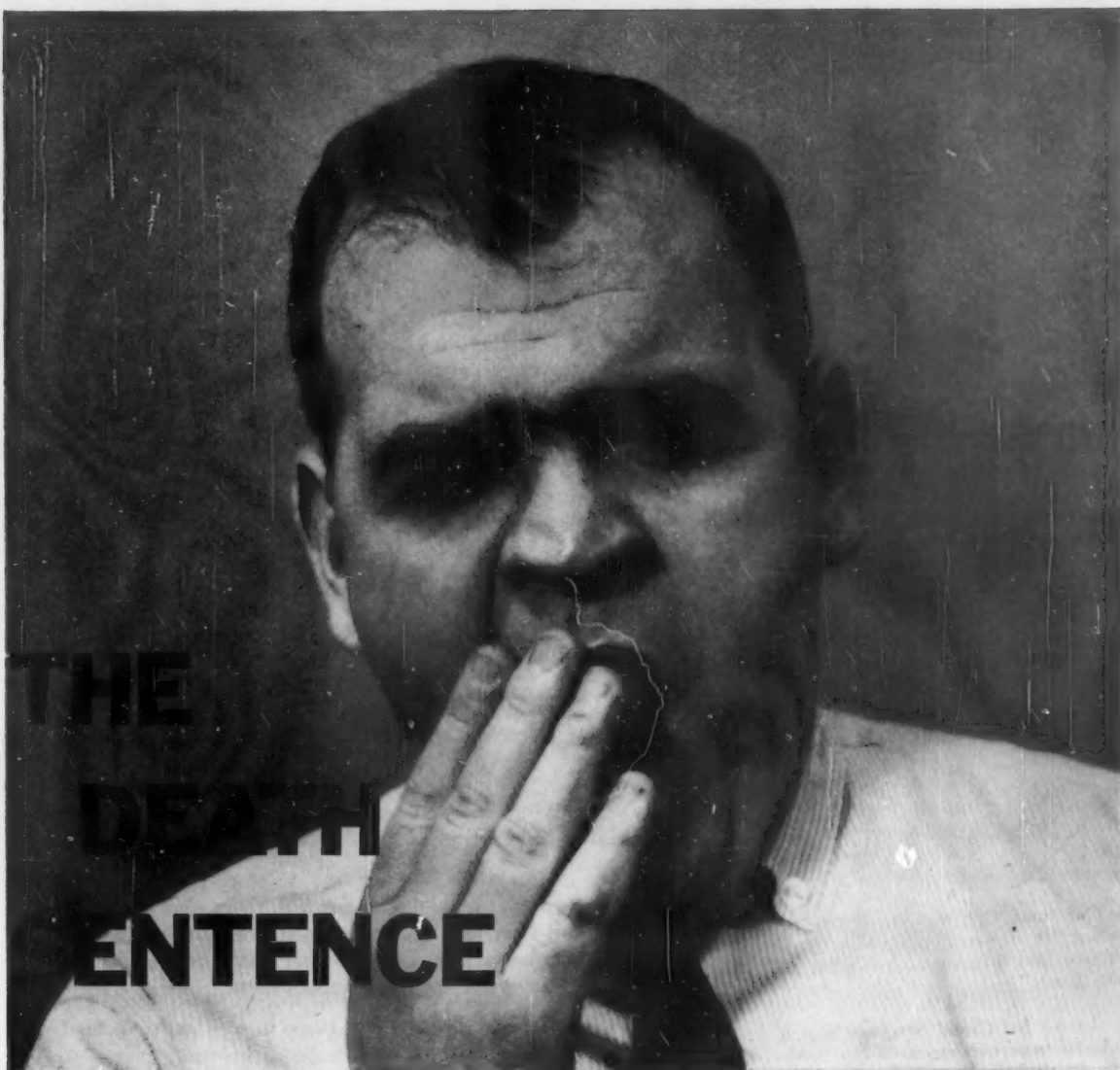
"If we were just a drug company, it might be possible to have vice presidents of marketing. But we run our company on an individual control basis. We expect our group men to run their particular parts of the business and make them pay."

DANA C. HUNTINGTON, president, Dennison Mfg. Co., Framingham, Mass.:

"We have formed a six-man Marketing Committee that meets about twice a month to discuss our products and markets and to make plans for the future. Dennison markets 6,000 products to many industries. Marketing is now our most important corporate function."

H. S. M. BURNS, president, Shell Oil Co., New York:

"Our marketing department is responsible for sales, advertising, sales training, dealer relations, packaging, sales forecasting, pricing, and market research. Its market research six years ago prompted us to build a new southern pipeline that has since made each of the two divisions there bigger than the one they replaced."



This is the most expensive yawn in America, the one that kills a network TV program.

Last year it killed one out of every two evening network shows.

So far this season—and it's far from over—more than twelve have bit the dust.

The cost of these false starts and fast flops is staggering. You just can't fail more spectacularly in advertising . . . and more expensively.

What to do about it?

Couldn't part of the answer lie in an advertising agency that assumes responsibility for the development and growth of the property, as well as negotiating for it?

This, of course, is easier said than done.

In our case, it means a department of 92 specialists solely dedicated to building the popularity and assuring the success of our clients' programs—before, during, and after their introduction on the air!

Immodest of us, we know

That these efforts are reasonably successful is indicated by the fact that 83% of the nighttime network shows Benton & Bowles had on the air last year are still on. This, we are immodest enough to point out, is considerably better than the average survival rate of 50%.

Put another and equally self-congratulatory way, 5 of the top 25 television shows

last fall were Benton & Bowles shows.

Now, let's face it. We wanted to gloat a little in print about this record. But we also wanted to shake you up a little. We want you to do a little thinking about what real television "pros" within an agency can do to cut down on the gamble that is TV.

We believe an advertising agency should do as good a job of keeping the entertainment you pay for fresh, bright, and interesting as the advertising it produces.

If this concept interests you at all, we are singularly receptive.

Benton & Bowles, Inc.
666 Fifth Avenue, New York 19, N.Y.

The best part of this ad are these clients: General Foods Corp. • Procter & Gamble Co. • Pepperell Manufacturing Company • Association of American Railroads • American Express Co. • Avco Manufacturing Corp. • Norwich Pharmacal Co. • Carling Brewing Co., Inc. • Philip Morris, Inc. • Mutual Of New York • Continental Oil Co. • H. C. Moore Co. • Railway Express Agency, Inc. • International Business Machines Corp. • S. C. Johnson & Son, Inc. • Florida Citrus Commission • General Aniline & Film Corp. • Western Union Telegraph Co., Inc. • Borden Company • Kentile, Inc. • Schick Incorporated • Allied Chemical Corp. • The Eversharp Pen Co.

THE SCRATCH PAD



BY T. HARRY THOMPSON

Mid-winter meditation on a minor theme: Suppose we do manage to hit the moon smack-dab and it cracks up like a friable clay pigeon. It could set song-writing back a thousand years!

Personable John Daly must feel like a supernumerary on "The Voice of Firestone," sharing with Hugh James the job Hugh did so well alone for years.

Alka-Seltzer might like to know that Capistrano, too, is "just a swallow away."

The governor of New Jersey could get pretty tired of bartenders quipping that they're not allowed to serve Meyners.

Never mentioned among the hazards of driving is the homunculus who can't see over the steering-wheel. Talk about "flying on instruments"!

Old-timer: One who can remember when Colgate's tooth-paste advertised: "Comes out a ribbon . . . lies flat on the brush."

An ad for Grand Macnish Scotch whisky was captioned "Extra Dividend" and appeared (you're 'way ahead of me) on the financial page.

And then there was the show-off who said he gave his wife a horologe for Christmas.

What ever became of rotogravure?

Harold Helfer says the Dallas Times Herald had to announce that M. P. Kelley, telegraph editor of the opposition Morning News, had won its \$1380 crossword-puzzle contest.

Headline for Oldsmobile: "Get into a Rocket and roll!"

Title for a brochure on corrective shoes: "Step This Way!"

Orville Reed wants to share a couple of gags he found in The Saturday Review. One is about the kid passing

New York's Irving Trust Co. and asking his pop: "Why should we trust Irving?" And the other about the violinist who was asked if it were difficult to re-string a violin. "No," he said, "but it takes guts."

"Bilk, n. A cheat; a trick; a hoax."
—Webster. Sgt. Bilko, congenital gyp, is aptly named.

"I never look at another man . . . unless he wears the Governor!" says a babe in a half-page for Esquire Governor Socks. Isn't that a bit thick?

I am beguiled by the names of modern race-horses. So far, I haven't seen these: Down Payment, Prime Ribs, Quit Stalling, Free Wheeling, Turf Luck, Grand Slam, Outer Space, Fringe Benefits, Door Prize, Back Rent, Ninety Proof, or Bird Cage.

Sampling is still a powerful sales-tool, so why don't I ever see color TV demonstrated in store-windows?

Just before year's end, The New York Times began a campaign in 28 newspapers and on 16 radio stations, telling people to "Head for a happy holiday. See America's biggest vacation-guide every Sunday."

Conversation-piece: Sunset House, Beverly Hills, advertised a Belly-Button Brush (so labeled) with a "de luxe, rhinestone-studded handle" in an "elegant, plastic gift-box." Only 79 cents, and "guaranteed to create gift-excitement for those who have everything." As Bea Lillie once said: Et comment!

The Core of Commerce

They say an honest confession is good for the soul.

In a mood of introspection, I must confess that, as a cub copywriter, the so-called "trade papers" were necessary evils in my book.

Not that there was anything wrong with them. My dim view had to do with their limited circulation in comparison with the giant consumer-magazines, and the fear that my family and friends would never see my masterpieces there.

But you've heard of the man who came to scoff and remained to pray.

With the years, I acquired a modicum of wisdom. It told me that the business papers are The Core of Commerce . . . the place in publishing where things start.

Unless the dealers were stocked with merchandise and primed with the promise of profit, distribution was a hollow thing.

Later, when our agency would get a new account, our first move would be to contact the business papers in that field to get the real low-down. Basic education for account executive and copywriter alike began with the business press.

Not that business papers need anyone to carry a torch or beat a bongo. They are doing right nicely, thank you.

It is more a wish to document the ancient aphorism that only a fool never changes his mind.

An advertising campaign without adequate preparation in the business press is like a rocket without a nose cone. It isn't going anywhere!

—T. H. T.

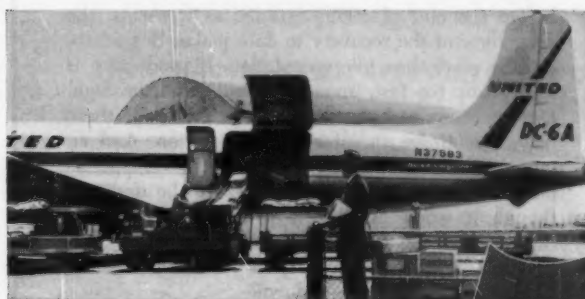
When it's tool-up time in Detroit—
**"UNITED AIR LINES AIR FREIGHT
 GIVES US A HEADSTART
 ON NEXT YEAR'S MODEL"**

— E. D. HEILBRUN, Director of Traffic
 The Budd Company, Philadelphia, Pa.



"When Detroit agrees on final changes for next year's cars, our two Philadelphia plants move with all possible speed on jigs and dies. United fits

right into the speed picture. They always have space to Detroit for us when we need it. And they use kid gloves in handling our shipments!"



WALTER BOYD, United's cargo representative, watches the shipment land at Willow Run—on time. You find this dependability throughout United. People go out of their way to give each shipment personal attention.



UNITED AIR FREIGHT RATES ARE LOW

	per 100 pounds*
PHILADELPHIA to DETROIT	\$ 6.05
CHICAGO to SALT LAKE CITY	\$13.65
DENVER to NEW YORK	\$17.70
SAN FRANCISCO to SOUTH BEND	\$21.05
AKRON to SEATTLE	\$22.50

* These are the rates for many commodities. They are often lower for larger shipments. Rates shown are for information only, are subject to change, and do not include the 3% federal tax on domestic shipments.

LOW RATES are only part of the story. United's speed and 80-market coverage on both passenger and all-cargo planes offer distinct competitive advantages.

IT COSTS NO MORE FOR EXTRA DEPENDABILITY—ON UNITED, THE RADAR LINE

For service, information or free Air Freight booklet, call the nearest United Air Lines Representative or write Cargo Sales Division, United Air Lines, 36 South Wabash Avenue, Chicago 3, Illinois

1959—A Year for Growing

By LEO CHERNE
Executive Director
Research Institute of America

NINETEEN FIFTY-NINE will be a year of high and rising business activity, with conditions better at its close than at the beginning for practically every field of American business. It almost certainly will not be a year of runaway boom, for several good reasons.

Third-quarter gross output in 1958 was at a rate of \$439 billion a year. The annual rate in the final quarter approached \$450 billion a year. As the level rises, gains will be a little harder to come by because many of the factors in the total are relatively stable. But, by the last quarter of next year, the annual rate should be about \$485 billion of Gross National Product, a gain of about eight percent in the next 12 months. And that's not small.

Industrial production is the second of the critical figures. Before the middle of 1959, and possibly soon after the end of the first quarter of 1959, it will pass the previous peak of 147, and by the end of next year should be pushing 160. This will be a 14% gain. It will be a relatively steady gain throughout the year, but impressive none the less.

Here are the strong points for 1959. Whatever we think about social legislation, the fact is that unemployment insurance and Social Security payments in 1958 played a big part in keeping consumer income high and steady during the months of the recession, and keeping it from spiraling down into what might have been a more serious recession or, perhaps, even a modest depression. In 1959, consumer spending will be a strong, positive force for makers and sellers of both soft and hard goods.

As for government spending, I think there is some possibility that there will be some lessening, momentarily, of the tension in the cold war. Fundamental letup in the cold war is not in the cards, and the hardware for the space and missile programs carries high price tags. Government defense spending will continue high in 1959, deficit or not. This alone wouldn't bring prosperity, but at least there's no chance of a sharp cutback helping to trigger a downturn, as occurred in the late summer and early fall of 1957.

Now, are there any weak points? There could be—though I don't think they're very weak. First, let's look at the automobile industry. Another disappointing auto year would not only hurt a major industry but would be a very bad psychological factor. But everything we've seen and heard so far

indicates that the public is taking to the new models. Our judgment is that there is little chance of weakening in this critical sector of the economy. And the conservative estimates for the industry, of sales ranging from 5,300,000 to five and a half million cars, indicate a substantial improvement and a substantial lift to the economy.

In the area of prices, there could be a real danger. If some companies used the stronger consumer demand as a lever to start another round of price increases, the possibility of an inflationary boom, followed in turn by a consumer strike, might produce a serious bust. We see, however, relative price stability for the next four to six months, and then a resumption of creeping inflation of one and a half to two percent a year. This, in my judgment, is one of the critical factors to watch. As our economy improves and prices gather additional momentum, inflation beyond the one and a half or two percent creeping level we've been accustomed to could produce difficulty.

Tight money is another area to watch. Interest rates, as you well know, are rising again and mortgage money will be harder to get. But the Federal Reserve Board is learning fast how to move more quickly in tightening and loosening pressure on the market. We don't think high interest will be allowed to strangle an orderly growth of business, though it may (and some think it should) prevent a boom.

The question is: Will there be another setback before the end of 1959? Strange as it seems, the very vigor of the recovery to date makes this a subject for more than idle speculation. If production is stepped up too fast, inventories will build too high. During these early months of the recovery, there may have to be an interval for digestion. And an interval for digestion may bring some disappointment because the boom may appear to be fizzling—though it won't be. The real danger is that our expectations will be too great and our actions too energetic. If realities don't quite meet our expectations, there may be a letdown.

The increasing consciousness on the part of a growing portion of the population that long-term inflation is indeed an overwhelming probability, and that their personal and business affairs must be adjusted accordingly, will itself help accelerate every inflationary push, such as the one which is expected to start in 1959. It will moderate, if not cancel out, any intermittent tendency of prices to come down.

The Syracuse Market is...

BIG

*15 Counties...with a
Population of 1,432,700*



BIG! When you think of the Syracuse market, think about all of it. Think of 15 counties embracing one-third of the total area of New York State. This important area has a population of 1,432,700 and annual buying power of well over \$2 billion.

ACCESSIBLE! Media selection is a cinch! The single low-cost way to reach this big, prosperous market is the SYRACUSE NEWSPAPERS — delivering 100% coverage of the metropolitan area, plus effective coverage . . . up to 76% . . . in the 14 surrounding counties. No other combination of media will do a comparable job at a comparable cost.

RESPONSIVE! Year after year, Sales Management has ranked Syracuse as America's No. 1 Test Market. It is based on a report of 1,177 test campaigns conducted by Selling Research, Inc., during the past 12 year period. The results prove that Syracuse is the market most preferred and most frequently used for testing operations by national advertisers.

The SYRACUSE NEWSPAPERS CIRCULATION COVERAGE DELIVERS ALL THE MARKET

FULL COLOR AVAILABLE — DAILY AND SUNDAY

Represented Nationally by
MOLONEY, REGAN & SCHMITT

America's Best
Test Market

the SYRACUSE NEWSPAPERS

HERALD-JOURNAL & HERALD-AMERICAN
Evening Sunday

THE POST-STANDARD
Morning & Sunday



CIRCULATION: Combined Daily 241,159

Sunday Herald-American 205,658

Sunday Post-Standard 109,060

JANUARY 16, 1959

55



IN CHICAGO, IT TAKES 2...FOR THE LONG PULL

It takes two daily newspapers in Chicago to accomplish any productive advertising promotion—because no single daily reaches even half your Chicago-area prospects. And for the greatest unduplicated coverage, one daily paper must be the Chicago Sun-Times.



CHICAGO SUN-TIMES...where great things are happening



Blind Spot in Annual Reports

If yours is a publicly owned company, you will soon be compiling the yearly statement for stockholders. Most of those who share in your enterprise are smart enough to know that sales, not production, make profits. See that your selling and advertising program is properly covered when you "add up" for 1958.

MOST publicly owned corporations apparently believe that their shareholders are not much interested in their sales efforts.

Or so it seems, from a study of the annual reports of the nation's top 100 advertisers, those with appropriations ranging from \$5½ million to more than \$144 million. (Reports were available for more than nine-tenths of the companies; a few were not because the corporations are not publicly owned.) The study showed that less than half of the reports give a clear picture of the companies' marketing aims and policies, their advertising and promotional campaigns.

Paradoxically, it seems almost as though the more a firm spends on advertising, the less likely it is to mention the fact to its shareholders. Of the top five advertisers in 1957, only

one in its report offers an adequate picture of its marketing program. The score for the next six is better, with three giving from fair to excellent coverage of the subject.

Still better is the showing of some of the firms farther down the line, at least in terms of coverage of advertising activity.

Here, according to Advertising Age, is a list of the top five U. S. advertisers in 1957, with their expenditures:

General Motors Corp.	\$144,526,000
The Procter & Gamble Co.	110,000,000
Ford Motor Co.	103,500,000
General Foods Corp.	87,000,000
Lever Brothers Co.	80,000,000

Of the five, only one — General

Foods — spelled out in its 1957 annual report its marketing policies clearly and fully enough to answer such stockholder questions as, "What are you doing in the way of selling — and how? What about advertising and promotion?"

General Motors includes in its 1957 report some scattered references to what might be called promotion and marketing, such as mention of the Chevrolet Soap Box Derby and the Fisher Body Craftsman's Guild competition (both annual events) and the company's distribution of educational booklets and films. But the nearest approach to a discussion of advertising is a two-paragraph summary of the firm's "Aim to Live" safety advertising campaign and contest (initiated not in 1957, but early enough in 1958 to be mentioned in the 1957 report).



Would you blame Mr. Average GM Shareholder for wondering how the organization spent its advertising dollars?

Procter & Gamble, Ford and Lever Brothers mention advertising only incidentally, e.g., Procter & Gamble's reference to decentralization of its operating functions, the list of which included selling and advertising.

As for a review of marketing in its broadest sense, a somewhat better case can be made for most of the reports, since they usually list good features of products and tell of research and its role in developing new products and improving existing ones. GM and Ford touch upon dealer relations and sales agreements, and GM outlines its dealer training program. And if you search closely, you may find in some of the five reports incidental mention of pricing, competition, packaging and other marketing factors.

Lever Brothers issues no individual annual report, since it is covered in the report of Unilever, the parent company (headquarters in England). Its 1957 statement gives statistics and

information chiefly by product group rather than by nation. Information on sales in specific countries is given mainly in generalities: "In the United States, turnover rose; Pepsodent toothpaste increased its sales and held its share of this highly competitive and growing market. In the last quarter of the year we began the first phase of launching a new toothpaste, Stripe, on a national scale." No mention is made of advertising programs in the U.S. or anywhere else.

► In contrast, General Foods might be said to take the shareholder by the hand and give him a briefing in the economics of the food industry today, telling how the company is solving its problems, and, in particular, how it meets competition. The report offers a masterly summary of factors affecting food marketing today and of the firm's advertising philosophy. And it does this without skimping on financial facts and statistics.

Factors affecting GF's marketing are treated under the heading, "Challenges and Opportunities." Regarding coffee, there is a summary of such conditions as artificial price supports, "floors," the unsettled economic conditions in some of the coffee growing countries, the difficulties of managing inventories to guard against sudden price declines while maintaining adequate stocks. In an excerpt covering frozen foods: "Limited refrigerated

cabinet space in retail food stores generates aggressive competition for frozen food selling space and sales volume, and frequently leads to price cutting which must be met. . . ."

Other comments cover the difficulty of maintaining profit margins in the face of consumer resistance to rising prices and increasing costs; the stream of new products leading to a "jungle battle for shelf space in stores and supermarkets; the increasing concentration of buying power in the hands of fewer grocery chains . . . which push their own brands."

Two favorable factors are named: the growth in population and growth in self-service. GF expects Mrs. Consumer to "demand" its products. Reason: "(We will) keep the quality, flavor and convenience of GF products constantly before her through well-conceived and persistently repeated advertising. As a result, if one store does not carry the GF product she desires, she can—and often does—go to another store to get it."

On advertising: "The term 'advertising' no longer means simply advertisements in newspapers and magazines. Nor does inclusion of television and radio commercials make the picture complete. Today advertising embraces all phases of commercial communication with consumers, and all of the many types of consumer 'deals' and incentives."

"While General Foods is one of

DIRECTORS

Richard C. Brown	C
Charles C. Buckland	C
Mark C. Honeywell	H
William L. Hall	
Thomas McDonald	As
Paul B. Wadsworth	

OFFICERS

Mark C. Honeywell, President & Chairman	
Harold W. Swett, Chairman of	
Charles D. Swett, Vice Chairman of	
Paul B. Wadsworth, President	
Thomas McDonald, Executive Vice President	Exec
Charles C. Buckland, Vice President and Secretary	Secy
James H. Binger, Vice President	Asst
Harold D. Russell, Vice President	Gen
Henry F. Dever, Vice President	Gen
Walter W. Fink, Vice President	Exec
William W. Gilman, Vice President	Gen
John E. Hayes, Vice President	Exec
Stephen F. Rindling, Vice President	Vice

THE MAN WHO ISN'T THERE: You could examine hundreds of stockholders' reports before you'd ever get any hint that the work of salesmen provides the salaries for all other employees, and the dividends for shareowners. Minneapolis-Honeywell is one company that dignifies its field men with a full page photo at the very front of its report, facing the list of company directors and officers.

The copy: "This is a Honeywell salesman. A highly trained specialist, he symbolizes a marketing organization that is composed of approximately 5,000 men and women working out of 167 sales offices throughout the world."



Watch sales rise when you back your selling efforts with Kodak premiums like these—(left to right) Brownie Starflash Outfit, Kodak Pony II Outfit, Brownie Movie Projector, Brownie Movie Camera.

Let Kodak premiums help you break sales records in '59

Pack more sales excitement in your next promotion with these "most-wanted" values from Kodak

Universal appeal—that's what you need in a top-performing premium—and that's what

Kodak brings you with its full line of "most-wanted" cameras and outfits.

That's because everyone likes to take pictures—and far and away the top name in picture-taking is Kodak. The full line is pre-sold by really big ad campaigns—in national magazines, leading newspapers, and on TV by "The Ed Sullivan Show" and "The Adventures of Ozzie and Harriet."

You'll find the right premium for your promotion in Kodak's complete line of cameras and outfits from \$4.25 to \$850—to boost your consumer sales . . . as incentives for your sales force . . . as gift awards to your employees.

Prices are list and subject to change without notice
"Kodak" and "Brownie" are trademarks

If it's made by Kodak, you know it's good!

EASTMAN KODAK COMPANY, Rochester 4, N.Y.

MAIL COUPON TODAY

EASTMAN KODAK COMPANY
Premium Sales Department, Rochester 4, N.Y.

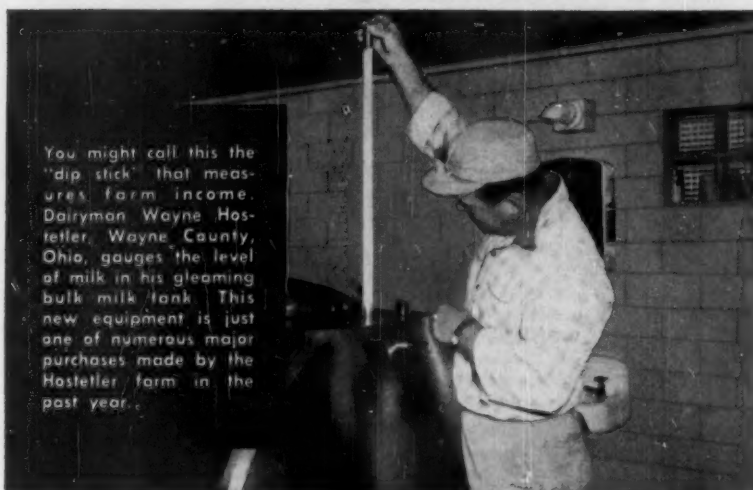
Gentlemen: Please send me more details on promotion opportunities with Kodak premiums.

222-1

Name _____ Company _____
Position _____ Street _____
City & State _____

Kodak
TRADEMARK

YOU CAN PENETRATE TO HIS CHECKBOOK . . .



You might call this the "dip stick" that measures farm income. Dairyman Wayne Hostetler, Wayne County, Ohio, gauges the level of milk in his gleaming bulk milk tank. This new equipment is just one of numerous major purchases made by the Hostetler farm in the past year.

STRAIGHT-LINE ADVERTISING



Ohio dairyman Hostetler pays special attention when your advertising appears in his own state farm paper, **THE OHIO FARMER**. He prefers that magazine 2 to 1 over any other farm paper. Preference for State Farm Papers is verified by agricultural college studies in Ohio, Iowa, Minnesota, Wisconsin, Missouri, Kentucky and New York.

This independent research proves that of all kinds of media, **THE OHIO FARMER** is the best way to sell the farmer.

Mr. Hostetler is a prime prospect for you. He becomes even more deeply interested in your product when you use the "penetration points" of **STRAIGHT-LINE** Advertising. We can insert these sharp-selling factors in your regular advertising — quickly, at no cost — since we print by gravure:

1. The right product for his *Ohio* conditions — at the right time.
2. Photo of your product in use on an *Ohio* farm.
3. Brief testimonial by an *Ohio* user.
4. *Local* price, down payment and terms.
5. *Local* addresses and phone numbers for quick information.
6. *Local* address to send coupons — for fast, full information; fast buying action.

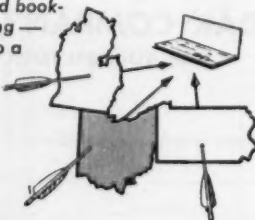
We print by gravure — there are no costly plates to remake. It's quick and simple to localize your ads!

Write for new 20-page illustrated booklet on **STRAIGHT-LINE** Advertising — the new science of penetrating to a farmer's checkbook.



The **OHIO FARMER**

1010 Rockwell Avenue,
Cleveland 14, Ohio



STRAIGHT-LINE Advertising service available
also in **MICHIGAN FARMER** and **PENNSYLVANIA FARMER**.

the country's leading advertisers, the corporation as such does not advertise. Instead, each GF product group administers its own advertising appropriation . . .

"The fact that the combined appropriations added up to a total of some \$87 million in fiscal 1958 means that this is 'what it took' to tell the many separate product stories with the frequency and effectiveness necessary to create and sustain consumer demand for GF's many products. This demand, in turn, produced a sufficient volume of business to make profits and pay dividends.

► "In today's swiftly changing and fiercely competitive battle for markets and profits, it is not enough to roll with the punches of competition; management must keep alert, flexible and dynamic, accepting and meeting challenges and seizing and creating opportunities."

New products (twenty are listed) are brought to the attention of GF shareholders in a special section, which touches upon the steps necessary to introduce an item or even a flavor.

Other related topics covered include improvement in service to the grocery trade and research. Example: "A discovery (through research) that results in the saving of a small fraction of a cent per unit in the processing or packaging of a large-volume product multiplies into a handsome addition to earnings, and may also provide a new competitive advantage." The firm's principal products are listed in a table facing the third cover; and that cover itself is a gate-fold showing in color many of those products with the caption, "Friends of Your Family."

The GF report's excellent coverage of marketing is all the more notable in view of the small size format and number of its pages. Its dimensions (7½ x 9½ inches) are smaller than those of the other four reports of leading advertisers; and the number of pages (24 plus cover) is less than that for any of the reports except Procter & Gamble's (16 with cover).

Here is the list of the six companies which spent from \$36 million to almost \$73 million in 1957 for advertising:

General Electric Co.	\$72,949,717
Chrysler Corp.	72,300,000
Colgate-Palmolive Co.	64,000,000
National Dairy Products Corp.	38,000,000
American Home Products Corp.	36,000,000
Westinghouse Electric Corp.	36,000,000

SALES MANAGEMENT

The over-all showing of the reports of these six firms, so far as marketing is concerned, is better than that of the five top advertisers. (Six are listed, because American Home Products and Westinghouse Electric, each spending \$36 million, tied for fifth place.) Each covered one or more phase of marketing, and three—Chrysler, National Dairy and American Home Products—provided interesting and reasonably full accounts of sales activities, including advertising. Colgate-Palmolive, though offering less information than the others, included a page of reproductions of publication advertisements in color, and photographs of TV personalities who promote the firm's products.

General Electric gives a fair idea of its marketing activities, with the exception of advertising. There is a concise summary of its four market classifications: heavy capital goods; industrial; consumer goods; defense items. There is good coverage of research and work on development of new products.

► But no one would know, from reading the G-E annual report, that the company advertises its products—except as a “major participant” in the industry-wide “Live Better Electrically” program. Described in the section on consumer products for the home, the “Live Better” program is well covered, with a color photograph of an “all-electric” home, one of “more than 100,000 that the electrical industry expects to call to customers’ attention.”

Coverage of sales activities is much better in G-E’s Report on its Annual Meeting (held April 23, 1958), an 18-page booklet sent to stockholders. From it one learns that the meeting’s theme was “Operation Upturn,” and that those who attended heard a great deal and saw evidence of the firm’s program “for accelerating business recovery.” Significantly, one of the questions asked by a shareholder during the open session was: “How much did this company spend on advertising for the past year?”

The answer, from Ralph J. Cordiner (who was elected chairman of the board and chief executive officer of the company at the meeting): “I am not going to give you the exact figures, because that would be giving comfort to our competitors, who would like to have that information. But I will say that the future plans of our departments indicate we may well do in 1958 as much as or more than in 1957.”

The Chrysler report, under the heading, “Sales and Service,” describes the new dealer sales agree-

TROY FOOD SALES HIGH

Here's why Troy, N.Y., belongs on every food schedule:

1. FOOD SALES \$49,-
679,000, up \$4 million in one year; 17% above city-state index and 42% above national index.

2. POPULATION —131,-
500 or 38,600 families in City Zone, up 300 families in one year.

3. AVERAGE HOUSE-
HOLD INCOME—\$6,480, up \$758 in one year; \$557 above national average. (All figures from Sales Management.)

ABC Cir.—47,680

The Troy Record
The Times Record
Troy, N. Y.

ment "adopted in 1957 by our 8,700 U.S. dealers selling Dodge, De Soto, Chrysler and Imperial cars and Dodge trucks." There are references to and illustrations of new features and products (including non-automotive). There is a paragraph on the establishment of a corporate market planning staff to "strengthen the company's marketing and sales planning activities," its purpose summarized as: "to advise on general marketing policies, long-range sales objectives, market trends, planning and research, and promotion and advertising of all our products." And this brief, but meaty, statement on advertising: "In 1957, Chrysler Corporation and its divisions continued a vigorous use of major advertising media including newspapers, magazines and radio and television. Last year, our television shows were seen weekly in over 48 million homes to help keep Chrysler Corporation and the Forward Look in the forefront of public attention."

► That National Dairy Products Corp. thinks of shareholders as potential customers is evident from the announcement printed on the inside front cover of its 1957 annual report: "The color photographs appearing in the pages of this Report show some of the leading food products of National Dairy, and the familiar brands by which our stockholders can identify them in the marketplace. The photos also suggest ways in which those products may be used at home. Since the Company's products are so numerous, we have pictured only selective lines which illustrate the wide range of varieties, flavors, sizes and shapes in which they are sold to consumers." Both packages and ready-to-serve foods are shown, the latter most appetizingly. Among subjects covered in the text are a program of corporate reorganization; expansion of a program to increase sales to restaurants, hotels and cafeterias; development of new flavors and products—outlining the "yardstick" for adoption of a new item.

"Kraft Foods Division advertising during the year was focused on major sales promotions of both new and established products," says the report, "with strong emphasis upon new ideas in cookery created in the Kraft Kitchens, whereby the housewife was encouraged to make additional uses of Kraft products in home recipes and menus. Marking its 10th anniversary during 1957, the Kraft Television Theatre continued to receive critical acclaim for the excellence of its entertainment and the quality of its television commercials.

"Strong advertising support was

placed behind the promotion of Sealtest milk and ice cream, through the use of newspapers and magazines. The extensive outdoor advertising program on billboards was expanded into about 750 Sealtest markets, with displays divided between milk and ice cream. Spot radio and television commercials were used in selected markets utilizing recipes developed in the Sealtest Kitchens."

► In its 1957 report, American Home Products treated each division separately, with illustrations of products in color and short summaries of progress. Among subjects covered are sales staffs (Ethical Drug Division staff was increased, and salesmen of the Packaged Drug and Cosmetic Division were given sales incentives); packaging; the company's increased sale of individual-portion packs of Chef Boy-Ar-Dee products as a result of the spreading use of coin-operated hot-food vending machines.

References to advertising in the AH report range from a comment on "an expanded and aggressive advertising program in the farm field" (for Fort Dodge veterinary products) to this summary of the campaign for the Wyeth products of the Ethical Drug Division: "An unusually wide variety of media was utilized to give physicians information on Wyeth products. The sales force was strongly supported with direct mail, detail literature, journal advertising and convention exhibits. The Wyeth house organ directed to pharmacists, *Pulse Of Pharmacy*, published quarterly, received much favorable comment." This was followed by mention of booklets and other literature and the firm's audio-visual program, including three new motion pictures.

Westinghouse Electric does not refer to its advertising activities except by implication. Marketing is covered to some extent, as in a section describing realignment of "the distribution organization of the Consumer Products Group so that specialized selling effort is concentrated in each market on each product." The three major

channels for distributing consumer products are given. A center page double gatefold illustrates room settings and other groups of consumer products sold under the theme, "Shape of Tomorrow"; and both illustrations and text suggest publication advertising—but if this was their source, the reader is not so informed. A change in the company's method of furnishing service on its appliances is also mentioned in the report.

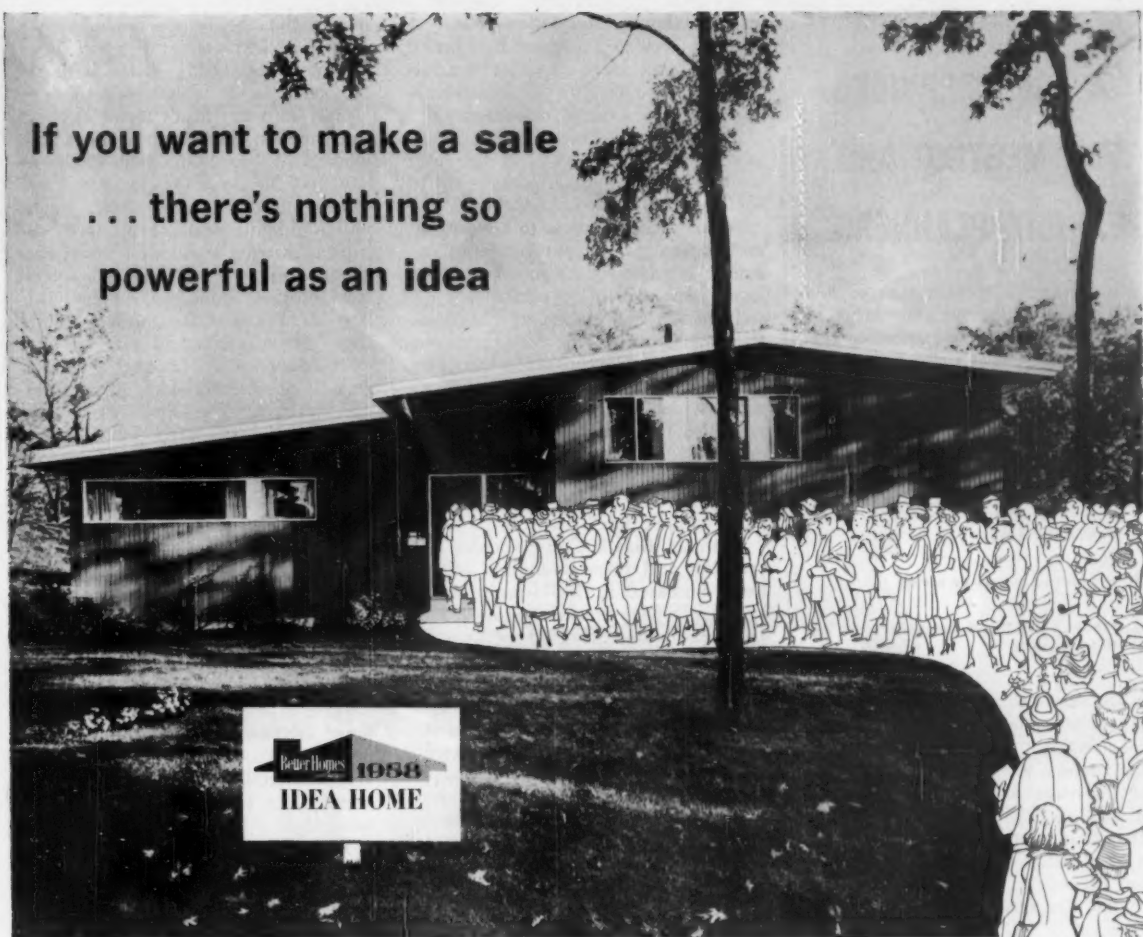
Generally speaking, companies producing widely distributed consumer products issued reports with the best coverage of sales and advertising programs. Outstanding examples in the food field: California Packing, Campbell Soup, Corn Products, General Mills, Continental Baking, H. J. Heinz. (Exceptions: Carnation, Kellogg, Quaker Oats, Ralston Purina, Wesson Oil—none of which mentioned advertising.) The reports of beverage makers Coca-Cola, Pepsi Cola, Brown-Forman, Falstaff and Pabst all did well by marketing, including advertising in most instances. In the drug field, Sterling devoted little space to marketing, none at all to advertising. R. J. Reynolds, 12th ranking advertiser, discussed its sales record and the place in the industry of its brands, but told nothing of its selling program or advertising activities.

► United States Steel is one industrial organization which assumes its stockholders want information about marketing policies. Its annual report touches upon such factors as competition, inflation, new uses for steel. Advertising is covered, through a summary of types of media used, photographs of scenes from its TV shows, with comments: "more than 20 million (watch) the USS dramatic offerings . . ." and "Surveys indicate that 70 per cent of the adult population . . . saw one or more programs telecast on The United States Steel Hour . . ." The back cover of the report shows—reduced but in full color—reproductions of three two-page spreads scheduled for the SEP and Time, "which will show the many ways . . . USS steels lighten your work . . . brighten your leisure . . . widen your world."

Methods of treating marketing vary to a considerable degree. Some reports touch upon it in the president's letter and amplify coverage in another section. Some refer to various aspects of marketing in many sections, at times incidentally. Some use the device of reproducing a "typical" advertisement with captioned summary of the year's campaign. Among the reports are examples of summaries which might well serve as models of clear, tight writing, combining brevity



If you want to make a sale
... there's nothing so
powerful as an idea



Phenomenal success of Better Homes & Gardens 1958 Idea Home Promotion affirms the sales magic of a houseful of ideas!

Look at these totals* from 98 builders of 1958 Idea Homes	
Opening day attendance.....	386,499
Total attendance.....	1,529,838
Promotion dollars spent by builders and local suppliers.....	429,928
Active leads for new sales.....	3,436
*Estimated	

When 1½ million people visit 112 Idea Homes across the country within one month, that's *news*.

The news *behind* the news is that builders *invest their own money* to produce these homes. Yet in a year of generally decreased building activity, the 1958 BH&G Idea Home Promotion set a *double record*. More builders built more homes than ever before!

Just one more example of the kind of sales magic generated in one field after another by Better Homes & Gardens emphasis on *ideas* for modern living.

During the year 1/3 of America reads



....the family **idea** magazine

Now over 4,300,000 copies monthly

A FREE SERVICE FOR MEETING AND EXHIBIT PLANNERS

It's no longer a painful task to find just the right site for your large or small meeting, traveling show or special convention. Just write down these facts:

1. Number of people to attend
2. Number of days to run
3. Probable dates
4. Preferred areas or cities
5. Hotel and exhibit facilities you require

All you have to do is to send these facts to Meeting-Site Service (a division of SALES MEETINGS' Research Department). Without charge, a check will be made on the availability of the facilities you seek and recommendations will be made. With the list of possible sites, you will receive color brochures to help you make a decision. For this free service, simply write:

MEETING-SITE SERVICE

Sales Meetings Magazine

1212 Chestnut Street, Philadelphia 7, Pa.

Another service: We'll be happy to recommend organizations qualified to assist you with any services or products you require in conjunction with your meeting or show.

GROWTH OPPORTUNITY

For the man with management and sales ability and an engineering background, with the maturity and drive to do creative, dynamic thinking and selling. To call on Consultants, Architects, Process, Plant and Product Designers to sell industrial scale models and our engineering service, "Designing in 3-D". Send full details of education, experience, long range objectives, and method and amount of compensation to the largest and only nation-wide industrial scale model organization in the U. S.

Grant E. Scott, Jr. — Pres.

SCOTT INDUSTRIES, INC.

111 SOUTH 3 ST. OLEAN, N. Y.

with maximum information. The best of these give, in a few words, a pretty good idea of the companies' marketing aims and policies, their advertising and promotional campaigns.

In contrast to the rather large proportion of firms which refrain from mentioning their advertising at all in their reports, some say, in effect, "We owe our success largely to advertising and must continue our program," or even, "Business is off, but we won't lessen our advertising efforts."

Here are two examples: California Packing Corp.: "This has been our 41st year of continuous advertising for the Del Monte label. The investment which the company makes in advertising to insure a continuing and dominant acceptance for the Del Monte label is one of our greatest assets, particularly in an era of intense competition."

Eastman Kodak Co.: "Kodak's advertising and sales promotion efforts were increased in 1957—in terms of added television time, magazine space, and promotions directed at specific goals. New products received special emphasis. Amateur photographic products, photo products for business and industry, textile products, chemicals, and plastics all had the benefit of vigorous campaigns." (Eastman told much more about its advertising activities, reproduced an Ed Sullivan commercial and a montage of reprints of thirteen advertisements.)

► As 99th on the list of 100 top advertisers, Eastern Air Lines (\$5,609,309) outranks many large spenders in giving its shareholders a good picture of its marketing policies. In the president's letter (signed also by E. V. Rickenbacker, now chairman of the board and general manager), the company's position in its field is clearly spelled out: "1 out of every 5 passengers who traveled by airline in the United States and 1 out of every 10 who traveled on any airline anywhere in the world 'flew Eastern' in 1957. Aggressive sales promotion also enabled your Company to lead the world in the number of aircoach passengers carried; in the sale of 'package' vacations and tours for the promotion of off-season travel, etc. . . ."

The letter also contains this interesting statement on advertising: "Your Company's philosophy of aggressive 'area promotion' in sales and advertising, and the development of mass transportation markets through extensive low-cost aircoach services and frequent schedules, which are credited with helping to achieve world airline leadership, will be aggressively applied to secure for your Company an increasingly large share of the op-

portunities the future holds."

A Bristol-Myers' 1957 report uses a device designed to please both the serious investor who wants to delve deeply into the firm's financial status and anyone interested in its selling operations. The main body of the report has the usual components: president's (and chairman's) letter, financial highlights and other charts and tables. But for those who wish more detailed information there is a special booklet of statistics, including a "Ten-Year Summary of Consolidated Earnings," fitted into a pocket at the back of the report. As a sort of bonus, there's another booklet in a front-cover pocket, "The Glossary of Financial Terms." Prepared by the New York Stock Exchange, this is an abbreviated "encyclopedia" for the neophyte investor.

► By putting the heavier statistics into a separate booklet, Bristol-Myers saved space in the main part of the report for fuller coverage of marketing. This begins with references to factors affecting sales, such as the Asian Flu epidemic, and to promotional activities. The firm's advertising program, "the most extensive we have ever undertaken," is discussed, and four of its television programs are named.

The subject of new product introduction is treated pictorially in a seven-page story covering five steps from "Estimating the Market," through "Final Consumer Pretest" and "Sales Testing." And still using the picture story technique, there is coverage of other phases of marketing, such as "Analysis of Sales" (using electronic equipment, statistics are obtained for forecasting sales, preparing budgets, revising advertising plans, etc.). The report also contains a double spread of reprints of advertisements published in foreign countries. (Bristol-Myers' foreign sales in 1957 totaled upward of \$17 million.) Finally, packaged products are shown, by division and in color, taking up five pages of the report.

Within recent years there has been a significant increase in the number of small shareholders, many of them in the medium-income class, many of them new to stock ownership. Partly for this reason and partly because of the yearly awards for excellence of annual reports given under Financial World's continuing program, annual reports have steadily improved. But most of them are doing less than they should be doing to tell shareholders how companies go about the serious business of promoting and selling their goods and services to insure profitable operation. ♦

SPECIFY



DISCOVER A World of Difference IN SHIPPING SERVICE

Yes, when you try D-C, you open the door to a whole new world of shipping convenience. You benefit from . . .

- Exclusive, one-carrier DIRECT service from coast-to-coast.
- Fast, 2-man sleeper cab service that goes straight through, with no transloading. Saves up to 20% in running time.
- One-carrier responsibility, one-carrier control of your shipment from pick-up to delivery—with experienced personnel, modern equipment and facilities **ALL THE WAY!**
- Dependability resulting from consistently careful, swift handling of your shipments.

Discover this **NEW WORLD** of shipping service for yourself. Mark your next shipment and your next order "D-C."

D-C

ONE
STEP
ACROSS
THE
NATION



DENVER CHICAGO TRUCKING CO., INC.
THE ONLY COAST-TO-COAST CARRIER



TERMINAL CITIES

Albany, New York . . . UN. 9-8416	Los Angeles, Cal. . . . AN. 1-0241
Buffalo, New York . . . RE. 3910	Nashville, Tenn. . . . CH. 2-5284
Chicago, Illinois . . . LA. 3-7440	New York, New York . . . LO. 4-3320
Cleveland, Ohio . . . SH. 9-1656	(N. Bergen, N. J.) . . . UN. 3-0900
Colo. Springs, Colo. . . ME. 2-1486	Owensboro, Kentucky . . . MU. 3-5363
Denver, Colorado . . . DU. 8-4567	Phoenix, Arizona . . . AL. 8-5321
Detroit, Michigan . . . VI. 3-9505	Pueblo, Colorado . . . LI. 3-4425
Evansville, Indiana . . . HA. 3-6487	St. Louis, Missouri . . . CH. 1-7830
Kansas City, Mo. . . . HU. 3-9343	Seattle, Washington . . . MA. 4-3850
Louisville, Ky. . . . ME. 6-1361	Syracuse, New York . . . GR. 1-4103

¹D-C operators of Eck Miller—Terminal Cities

OFF-LINE SALES OFFICES:

Atlanta	**Indianapolis	**Rock Island, Ill.
Boston	**Milwaukee	San Francisco
**Cincinnati	Philadelphia	South Bend, Ind.
*Dayton	*Portland, Ore.	**Toledo
**DeKalb, Ill.	Rochester, N.Y.	Washington, D. C.
*Fl. Wayne		

*With Trailer Pool

**Trailer Pool Only

The newsgathering service

*...ACB will
capture,
tabulate and
deliver all
advertising
you specify
appearing in
daily/Sunday
newspapers*

Any ad that runs in any newspaper is important business news to many men in distant cities. And it's ACB's job to supply such news.



It's big news to a manufacturer when his dealers in Tallahassee or Walla Walla or Oshkosh use his mats and push his line; and **this ACB can tell him!**

It is news—essential news—when retail stores drop a manufacturer's advertising and push his competitor's brands.



The trade papers he reads will not report it but, **this ACB can tell him!**

The news wire services will never hum with the fact that the Abilene Emporium is running a close-out sale on Domestic Art housedresses. But it is "scoop news" to a certain salesman who is working Nebraska this week, and **this ACB can tell him!**



The newscasters will never tell him but it's news to a salesmanager when the Tulsa branch first shows signs of an alarming drop

that INCREASES SALES

in retail advertising support; or that the competition is plastering the area with nationally released ads.

And it's news to the Omaha Division Manager when Colorado merchants do not support his new salesman with ads. All these things, **ACB can tell him!**



It's news to an advertising manager when competition is testing out new copy slants; or pilot runs on new products . . . when sub-



stitutes are invading his market . . . when price-cutters are at work . . . when unauthorized vendors

enter . . . when name or trademark infringement appears . . . when retailers give him gratis advertising . . . when his co-op allow-

ance is not being used . . . when retail stores bend or break his co-op contract . . . this, **ACB can tell him!**

In all this newsgathering, **ACB** charges are reasonable. Coverage can be from as little as one month in one city on up to continuous nation-



wide coverage with never a change in basic rates. There are a dozen choices of coverage, such as: by sales territories; by cities of a certain size; by price of product; etc.



Full information on **ACB's 14 Services** in our 48-page catalog sent on request, or contact our nearest office.

ACB

The

ADVERTISING CHECKING BUREAU, INC.

New York (16) 79 Madison Ave. • Chicago (3) 18 S. Michigan Ave. • Columbus (15) 20 South Third St. • Memphis (3) 161 Jefferson Ave. • San Francisco (5) 51 First St.

ACB READS EVERY ADVERTISEMENT IN EVERY DAILY NEWSPAPER



When Canada Buys ...

Retail sales in the Toronto market exceed \$2,000,000,000 a year. And in Toronto 62.7%* of all daily newspaper readers read the

TORONTO DAILY STAR

80 King Street West, Toronto

In the United States:
Ward Griffith & Co. Inc.

*Grunear Research Survey 1958



ADD HANDLING EASE, POLISH TO PRESENTATIONS

Pamper those whose favor you require. Present multi-page 8½" x 11" REPORTS, PROPOSALS, QUOTATIONS, SALES LITERATURE in snow white, velvet soft, friendly JIFFOLD PRESENTATION COVERS.* Wire stitches invisible. Holds important papers together and in sequence. Assures easy reading, handling, filing. Send \$2.00 for prepaid trial order of 10. Quantity prices as low as 10¢ each. Satisfaction guaranteed.

Clint LEAP, Inc.
300-2330 VICTORY PARKWAY
CINCINNATI 6, OHIO

*Pat. Pending

2761

Everything's New at Gallo: Product, Package, Profits

MARKET BY MARKET during the next few weeks, E. & J. Gallo winery will complete coast-to-coast launching of its biggest advertising campaign, believed by them to be by all odds the largest campaign to promote wines ever put on by a California winery.

The family-owned Gallo corporation keeps its advertising budget under its hat, but it is an open secret in the advertising field that this winter's figure is of seven-digit proportions. Media are television, radio, newspapers.

Gallo leads all other vintners in wine sales in the United States. Behind its growth: sales imagination based on American tastes. Not only has Gallo always advertised, but it has made sure to have something to advertise.

In the current campaign, the advertising spotlight is being turned on a new kind of wine bottle. To produce it, the winery has built its own \$6-million bottle factory. Amber green in color, called Flavor Guard, the new bottle is made of "a revolutionary protective glass . . . that shields wines from injury by flavor-stealing light rays."

The new package adds another sales point to the Gallo promotion, which wraps up several deliberate appeals to American taste preferences.

Biggest current news at Gallo is Thunderbird, an entirely new kind of wine. Introduced in May 1957, it has been so successful that at least 50 vintners have rushed out with new wine developments of their own during the past 14 months or so. This adds up to something of a revolution in wine merchandising, long a tradition-bound industry. Gallo, first to break with tradition, preceded the break with years of flavor research and consumer preference testing. Thunderbird, light gold in color, is a specialty natural wine, flavored in accordance with a formula that is kept secret.

Thinking behind the new kind of wine is summed up by Ernest Gallo, president: "Our winery has always been faithful to wine-making tradition. We sell all of the traditional non-sparkling wines. But the Gallo brothers have long recognized that the American diet and tastes differ from those of Europe. We have also long been research-minded. Our research led us to the realization that a vast untapped

opportunity existed here for wines more suited to modern American taste."

Thunderbird — the name derives from the American Indian myth of the supernatural bird that brings rain and fertility—is not the first Gallo wine to make news. A number of years ago the company introduced what it advertised as "the first new kind of wine created in 200 years"—Paisano. This is a red, soft, mellow and light-bodied dinner wine. Immediately successful, it has become the most widely used red table wine in the United States.

► The next experiment was Gallo's Grenache Rose. This is a traditional wine, but no version of it had been sold by any but the premium wineries. Gallo, aware of the potential in the rose wine's all-purpose character, offered the first standard advertised brand at a popular price, in bulk. Another Gallo advertising point, "the first squeezing of the grape," refers to a process said to produce a wine lighter and brighter than the average. The jewel-like color of rose wine, most people in the industry agree, has helped its sales appeal.

Thunderbird, in a little over a year, created an unusual stir in the industry by reason of its rapid acceptance. But new as this wine is, the custom of flavoring wines is a very old one. In ancient times many wines were flavored, usually with herbs and spices. Two well known flavored versions are the vermouths and Dubonnet.

Federal designation of such wines is "aperitif." While adhering to this legal designation, Gallo promotes Thunderbird as an all-purpose wine, to be served before, during, after or between meals.

Among the 50 vintners who have leapt on Thunderbird's flying cloud are some big names. Roma came out with its Roma Rocket and is reported to be doing well with it. Italian Swiss Colony's Silver Satin has probably been the most successful of the new wines after Thunderbird. Latest to join the parade is Petri, with a flavored wine it calls Spur.

Some observers — and tasters — are calling the rash of new kinds of wine "soft drinks with alcoholic content." Be that as it may, they may rise to challenge beer as a popular American beverage. ♦

SALES MANAGEMENT

Capital goes to Florida for the fun of it!

New jet-powered Viscount

"FUN FLIGHTS" TO MIAMI



A party
on a plane!

Until now, you've never flown for the fun of it! Never were swept away by the holiday mood of a cruise in the sky. Never, before Capital's new "Fun Flights"! Now, while the Viscount's four Rolls Royce jet-powered engines whisper their way to Miami, you'll enjoy the first Florida banquet of your vacation... drink your first champagne toast to each other... and make your first holiday friendships. This is a trip you'll want

to remember. If you left your own camera in your luggage, the hostess will snap your picture with hers. Choose your reserved seat now, with your travel agent or Capital Airlines.

VISCOUNT "FUN FLIGHT" FOR V.I.P.'s... champagne, Florida banquet, photographs and music are only part of the fun. You're surrounded by a skyful of luxury.

FOR VALUE-MINDED VACATIONERS

DAY "FUNCOACH"... many exciting features of the "Fun Flight," with meals and champagne at slight additional cost. The fun way to save.

NIGHT "FUNCOACH"... best way to save money and still enjoy the speed and quiet of the Capital Viscount... America's first jet-powered airplane.

FROM PITTSBURGH • BUFFALO • ROCHESTER • CLEVELAND

JANUARY 16, 1959



We'll be glad to send you the

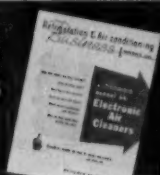
LATEST MARKET DATA

On 9 Specialized Fields Served By IPC Magazines

The Industrial Publishing Corporation — one of the nation's largest technical magazine publishers — devotes its experience and publishing know-how to a group of 9 specialized markets. Because of this specialization, IPC's market research department is able to give sales manag-

ers vital, timely market data which is unattainable from any other source. If you are interested in any of the nine markets served by IPC publications, you will find the marketing data offered below an invaluable aid in accurately planning your sales strategy.

REFRIGERATION & AIR CONDITIONING BUSINESS



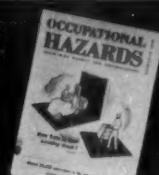
1. The Refrigeration & Air Conditioning Wholesaler — #147R
2. A Study Of Organizations Engaged in the Business Of Air Conditioning, Heating and Commercial Refrigeration — #169R

POWER TRANSMISSION DESIGN



7. A discussion of the markets for gears, speed reducers, bearings, couplings, clutches and power transmission devices — #221D

OCCUPATIONAL HAZARDS



12. The Safety Man — #153H
13. A Market Study of Plant Fire Brigades — #210H

AERONAUTICAL PROCUREMENT



3. How Salesmen Spend Their Time Selling — #231B
4. Facts and Fallacies about selling the aircraft and missile industries — #120B

MATERIAL HANDLING ENGINEERING MATERIAL HANDLING ILLUSTRATED



8. How Does Industry Buy Material Handling Equipment in Cleveland — #230F
9. The Market For Dockboards—Powered & Manual — #222F

PRECISION METAL MOLDING



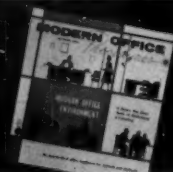
14. Sources Of Extrusion Information — #196P
15. Precision Metal Molding Production Data Book For 1958 — #143P

APPLIED HYDRAULICS & PNEUMATICS



5. Market Study for Valves and Solenoids
6. Market Study For Fluid Lines & Cylinder Tubing

MODERN OFFICE PROCEDURES



10. Characteristics of The Market For Office Equipment — #144M
11. How Office Publications Cover The Market For Office Products

INDUSTRY & WELDING WELDING ILLUSTRATED



16. A Study Of The Nation's Leading Independent Welding Supply Distributors — #237W
17. Reader Inquiry Response Study In The Welding Industry — #141W

A-7-59

IPC THE INDUSTRIAL PUBLISHING CORPORATION
Research Department
812 Huron Road
Cleveland 15, Ohio

THE INDUSTRIAL PUBLISHING CORPORATION

Please send me the current market research studies checked below:

Name _____ Title _____

Company _____

Address _____

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"TEAM": Unique Plan for Landing Government Contracts

It was worked out originally by H. Leslie Hoffman, head of Hoffman Electronics Co. Through it, small firms that otherwise had only rare opportunities to participate in Defense business, now share in Defense projects. Forecast: This idea will almost certainly be adopted and expanded to develop business in other markets.

YOU WON'T FIND "sales-diplomacy" in any dictionary. But it aptly describes a method used by Hoffman Laboratories, Inc., Los Angeles, in planning for, bidding for, and handling production on a new secret Air Force project.

The technique goes under the name "TEAM." It stands for Total Engineering and Administrative Management.

Reduced to simple terms, it calls for pulling together a group of companies, regardless of size and with a variety of capabilities, to work as a closely knit team to submit a single bid on a big government contract. It is applicable when the work involved is such that no one participating company could handle a project alone, either from the standpoint of available production facilities, or finances, or both.

The original TEAM idea was developed by H. Leslie Hoffman, president, Hoffman Electronics Corp., of which Hoffman Laboratories is a wholly owned division. The plan was later adopted by other groups of companies.

Presentation of TEAM'S case before the Air Force authorities, technicians and administrative officials called for the highest type of group-selling skill. Through it all, the main stress was laid on variety of benefits. TEAM had to answer many objections, break through tradition and governmental red tape.

What led to the introduction of TEAM?

Early in World War II, Hoffman, then a small manufacturer of radio and electronic equipment in Los Angeles, broke through the barriers surrounding the small businessman and secured sadly needed electronic work

for the neglected West Coast manufacturers. He landed a prime military contract. It was too big for his facilities, so he subcontracted a large part of it to other specialized manufacturers. Designated by some as the "master-slave" type of contract, the deal had many advantages, but Hoffman felt that many aspects of it could be improved.

► The growing size and complexity of the giant research and development projects of the military establishments, particularly of the Air Force, called for a high degree of specialization. They also called for gigantic technical and production facilities along with financial strength far beyond even some of the larger companies. The small businessman could hope at best to become only a subcontractor. His financial position alone precluded his competing for the prime contracts.

The prime contractor felt that he, too, needed better cooperation from the subcontractors to avoid the hazards of delayed deliveries, added inspection costs, and, most important, lack of communication all along the line. Administrative work was too heavy for all concerned under the master-slave contracts.

Fresh thinking was needed. After some brain-storming and two years of discussion with the Laboratories division, in 1957 there emerged the plan for TEAM. It seemed to offer the means for overcoming a psychological block on the part of the small businessman.

The small businessman wanted to be recognized for his ability and product. He felt that, as a subcontractor, he was just a number on a given project. He wanted to be in on

the planning as well as the production, and he didn't want the successful bidder making passes at the best technical men on his staff.

Air Force approval of the TEAM plan was assured. The sponsors searched the published lists of successful Air Force suppliers, selected 50 at the top and went over their performance records. They finally chose seven small manufacturers to approach for TEAM participation. These, in addition to Hoffman, eventually made up the TEAM group. They are scattered from Nashua, N. H., to Los Angeles, from Melbourne, Fla., to Palo Alto, Calif.

Armed only with a letter contract, James D. McLean, president of Hoffman Laboratories, and other executives hit the road to call on these manufacturers.

The yardstick for the participating members, says McLean, "was technical competence and the right dollar bid." He was also seeking organizations with "that forward look," a fluidity that would deliver "the impossible." In each case he wanted a company that would work well as a team-mate and one that other participants would be proud to work with. And that was the origin of "sales-diplomacy."

McLean and his group overcame the obstacle of the wide physical distribution of the partners by promising each a voice in policy, technical and administrative matters. He also promised, and received promise of co-operation on, a tightly controlled line of communications.

To offset the restriction that prevented members from making another competitive subcontractor bid to an outsider on TEAM projects, he suggested that they would have the ad-

vantage of the know-how of all the participating companies in not only technical but planning and administrative matters. Assurance of freedom from anti-trust action was contained in an earlier ruling from the Department of Justice.

Early in 1958 TEAM was ready to bid for a research and development project. It went into action on the Air Force's Tall Tom project.

Broken down as to specialty, the members are:

Cornell Aeronautical Lab, Buffalo, N. Y., Consulting Services in Human Engineering;

Fultron, Inc., Culver City, Calif.,

Radio Interference Engineering Services;

Hoffman Laboratories Div., Los Angeles, Calif., Receiver Subsystems;

Lockheed Aircraft Services, Ontario, Calif., Flight Test, Installation and Support;

Olympic Radio & Television Corp., Long Island City, N. Y., Recorder Subsystems;

Radiation, Inc., Melbourne, Fla., Ground Support Subsystems;

Saunders Associates, Nashua, N. H., Antenna Subsystems;

Stanford Research Institute, Palo Alto, Calif., Ground Data Handling, Programmer-Control, Subsystems,

Consulting Services in Systems Engineering.

These eight companies are directed and coordinated in their work by the Hoffman Systems Management Group, headquartered in Los Angeles. Hoffman Laboratories is the prime contractor and systems manager for the project.

A fundamental characteristic of TEAM is that each member has a voice in policy matters affecting the program's operation. Each has a member on the Management Policy Board, chairmanned by McLean. The representatives on this board are senior executives with authority to make corporate commitments. They meet quarterly, or oftener if needed. The program director, J. F. Honey, serves as secretary and makes his report of progress to them.

► Under Honey are Operations Director F. J. Seufert; Secretariat Director R. J. Van Ness, and Technical Director R. J. Gilson. Each has his own committee of member companies. An Air Force project officer sits in on all meetings. Member companies have top executives on these committees. They range from engineers to fiscal accounting and administrative officials. Meetings are usually held monthly.

The program director is responsible for the successful completion of the program and reports to the management policy group.

The operations director supervises the efforts of the program planning manager, fiscal, purchasing and contract coordinators.

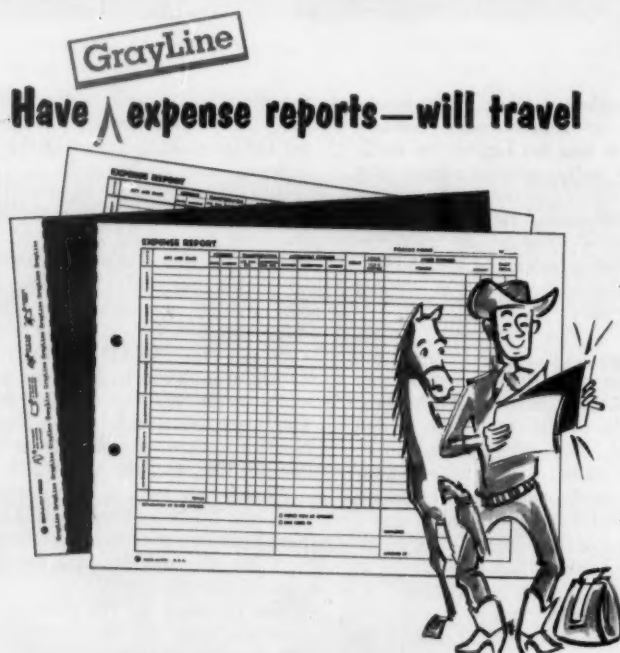
The secretariat director supervises communications, publications, records and reports.

The technical director supervises systems engineering, technical direction and future systems planned for the program.

Each division is broken down in smaller groups to handle specific problems as the need arises.

Because it crosses all lines of authority and operation, the secretariat division has a view of the entire operation. (There are 12 on its staff.) Though the anticipated heavy volume of communications has grown beyond expectation, this division has a well organized system of keeping every member in touch with developments.

The TEAM group uses special stationery with vari-colored carbon papers. The original of any communication goes to the addressee; the second copy (on a black carbon) goes to the secretariat; the third (on a brown carbon) remains with the sender. All copies carry not only a code number and sequence number but a routing



... mighty glad I've got these genuine 2-part "Snap-A-Way" forms with me, mister. They're goin' to give me a complete record — and I mean real complete — when income tax round-up time comes along.

Carbon interleaved GrayLine "Snap-A-Way" Expense Reports give you a complete Expense Record in duplicate — one copy for you, one copy for your employer — with one writing.

Complete, time-saving summaries ready when you prepare your income tax return in 1960.



50 weekly duplicate forms in plastic envelope. Also boxes of 500. Ask for Wilson Jones No. 44-950. Call your office supply dealer today. If he can't supply you send us his name and yours for free sample.

WILSON JONES COMPANY
209 S. JEFFERSON ST., CHICAGO 6, ILL.

Year's Supply
ONLY
\$1.70
less than 4¢
a week

list. All correspondence, including teletype messages, travels on this form and is filed under a master system. Inquiries are answered within 24 hours, unless the subject permits delayed action.

The fiscal control group has implemented a system of reports that shows expenditures as they are made by any member. Budget control is thus assured. Subcontracts (there had to be some) and contract changes are issued promptly and with definitive content to insure on-time performance.

The Air Force broke precedent and installed a desk for the TEAM representative directly opposite his counterpart on procurement at the Dayton offices, thus speeding up liaison with the customer.

Alterations in the original contract or partner agreement, including the establishment of new prices, is negotiated through the management group. All such changes must be approved by the Air Force. "There haven't been any big differences yet," a Hoffman official reports, "but this being a research and development task, we anticipate some."

► Another official feels that the communications system has forestalled many possible conflicts of interest, since each member gets an over-all picture not possible under a master-slave contract.

The communications system, providing daily analysis of correspondence, shows up weaknesses quickly. Thus corrective measures can be taken before problems become troublesome.

McLean reports that the system has cut down travel, inter-plant inspection, a lot of unnecessary letter writing and long distance or closed circuit calls, leaving the administrative heads more time to plan for future contracts.

As Hoffman executives see it the advantages of the TEAM approach are these:

- It provides a superior organization for task performance.
- It provides more real competition.
- It makes possible a greater degree of job definition.
- It assures best efforts of participants.
- It provides a large industrial reserve.

The customer has the maximum opportunity to:

- Assess the suppliers' capabilities.
- Follow the technical progress.
- Control expenditures.

the safest way to move your personnel



**Household goods
carefully packed, expertly
loaded, safely and swiftly
transported to any place
in the 49 States.**

Wheaton
Van Lines, Inc.

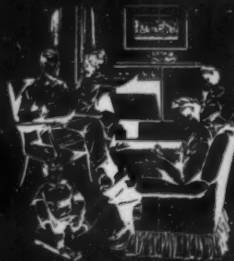
COAST TO COAST LONG DISTANCE MOVING

In the West, call

LYON
VAN LINES, INC.

**OVER 500
AGENTS IN ALL
PRINCIPAL CITIES**

General Offices: Indianapolis, Indiana



Sharpest rise in 15 years!

The USDA estimates that farmers' realized net income for 1958 will be around \$13 billion — 1/5 more than in 1957

— and the sharpest increase since 1943.

The farm boom is booming buying by Successful Farming farmers, the nation's best, with the best land and highest investment ... makes them exceptional prospects for all quality merchandise in 1959!

Estimated annual average cash farm income of SF farm families exceeds \$10,000 — and no medium matches SF's influence in its market. For better sales, call any SF office!

Successful Farming ... Des Moines, New York, Chicago, Atlanta, St. Louis, Cleveland, Detroit, Philadelphia, San Francisco, Los Angeles, Minneapolis.

- Evaluate the over-all performance.
- Establish patterns for successful completion of future contracts.

Critics of the plan have raised these objections:

- It increases the cost of preparing proposals.
- It binds the manufacturer to a sole bid on the project.
- It can become top-heavy with organization and be tied up with red tape.
- It is a slower method of getting systems developed.
- Ability of individual team members may be questioned.
- Too many cooks can spoil the broth.

To the last point McLean replies, "The team leader retains full responsibility to the customers for the effective performance of the entire job."

He points to the accomplishments to date to answer the other criticisms: on-time delivery of specifications; prompt Air Force approval of specifications; effective operation of the TEAM group; customer acceptance; recognition of industry leadership.

To this should be added evidence of a high degree of cooperation from widely diversified manufacturers in widespread locations. Not measurable, but very noticeable among the members, is the esprit de corps and enthusiastic support of the plan. All want to be considered for other TEAM projects.

In fact, Hoffman is bidding, or is now in, at least four other TEAM projects as a member rather than a prime contractor. And there are numerous TEAM groups working on a somewhat similar basis for the Defense Department.

► The Department has sent out a letter to all of its suppliers suggesting that they study the cooperative move, particularly now that the contracts are running in larger and larger amounts and call for a more varied experience than is available in any single company. Seven out of 15 contracts given out lately have been on the TEAM plan.

The small manufacturer (under \$10 million in annual sales in the electronic field) has as good an opportunity to land one or more of the big research and development projects under the TEAM plan as the giants of the industry. For instance, Stavid En-

gineering, Plainfield, N. J. (around \$10 million last year), heads a team with such leaders as Olin Mathieson, Bausch & Lomb, and U. S. Shoe as members. Stavid has since become a member of two other TEAM groups and is TEAM-bidding on several other projects.

Others using the TEAM principle: Martin Co., with Bell Aircraft, Minneapolis-Honeywell, Bendix Aviation, Goodyear Tire, and American Machine & Foundry as members.

Boeing Airplane heads a group that includes Aerojet-General, Chance Vought Aircraft, General Electric, and The Ramo-Wooldridge Corp.

The Air Force (the customer) has indicated general acceptance of the TEAM type of organization as is shown by this letter:

"As a joint experiment in project level systems management, Phase 1 (of Tall Tom) is considered to have exceeded expectations," writes Dennis C. Jones, chief, Electronics Countermeasures Section, Weapons Guidance Branch, Aeronautical Equipment Division of the Air Force Materiel Command.

And it backed that up by boosting the appropriation from \$11 million to \$14 million, with a possibility of increasing it to \$20 million. ♦

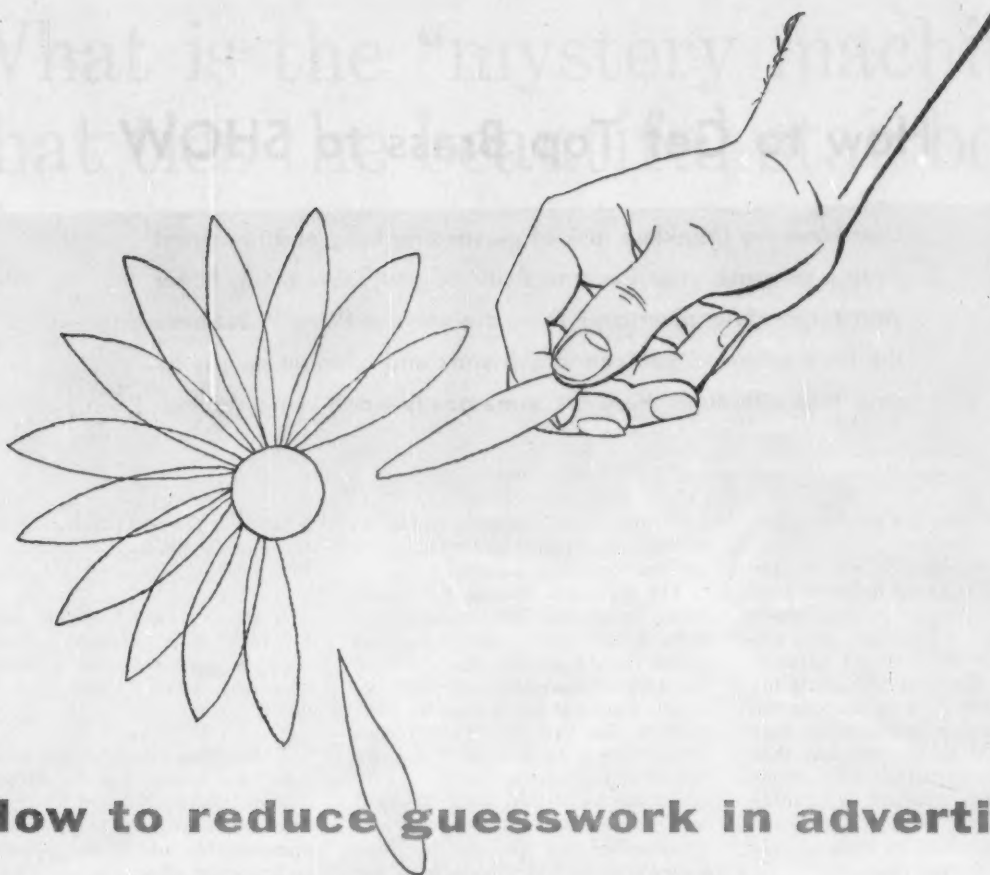


The Leader and Lieutenant

H. Leslie Hoffman (Left) is president of Hoffman Electronics Corp., Los Angeles, a tidy little business that did about \$50 million this year! As much as 60% of this came from the company's subsidiary, Hoffman Laboratories Division, headed by a young (44) MIT graduate named James D. McLean (Right). It all began three days be-

fore Pearl Harbor, when Leslie Hoffman bought Mission Bell Radio and with three employees began making radios and some electronic apparatus for the Government. He changed the name to Hoffman Radio, then to Hoffman Electronics. Then he went to work to land defense contracts in his area—which was getting few of them. Now he's

experimenting with solar energy, but his prime projects are still defense contracts. McLean joined Hoffman a year ago after 20 years in electronic research, engineering, sales and management. As an undergraduate he was radio aide to the late Col. Frank Knox in the latter's campaign for Vice President of the United States.



How to reduce guesswork in advertising

The reduction of guesswork starts with a painstaking analysis of the advertiser's sales experience. But there are definite limits here. Call reports, or the salesmen's theories as to why some people buy and others don't, can be misleading.

Confusing, anyway. Surely you've sat in sales meetings where each man expressed a different, but equally positive idea of the *one best* sales approach!

Today there is a new and inexpensive way to sharpen the common denominators of your best sales approaches as they apply to each of the different fields you sell. It is a highly specialized type of personal sales investigation which we have developed over a period of many years.

We call it "Ditch-Digging" research. It digs underneath the reasons your prospects give for not buying. Its approach is unbiased; we get a client's potential customers to talk about things they normally wouldn't tell his salesmen. It goes beyond the scope of most "depth interviewing" in that every one of our investigators has had considerable sales experience. Thus you are well assured that the work we do for you will be handled tactfully and with genuine "sales sense."

And the chances are very good that their experienced sales perception will help you crystallize the conditions to be met in each field; will materially reduce the guesswork that hampers advertising effectiveness.

Sometimes, naturally, this work is of a highly confidential nature. But there are many cases we can tell you about, if you'd like to hear how other companies have used Hopper Company Sales Investigations to get "Ditch-Digging Advertising That Sells by Helping People Buy."

The Schuyler Hopper Co., Market Research, Sales Promotion, Advertising, Twelve East Forty-first Street, New York 17, N. Y., LE 2-3135

How to Get Top Brass to SHOW

Ever have the thankless task of persuading busy and important people to grace your podium, dedicate your new plant, honor your corporate anniversary? There are ways of doing it. But once the job's achieved you can lose friends and alienate people by your follow-through. Here are some points worth remembering.

THE PRESS gave it a good coverage. And for good reasons.

Back in October, the city of Durham, N. C., managed to entice some of the nation's biggest business wheels to its portals—and beyond—for a special Salute to Business and Industry. This was a Weekend of North Carolina Hospitality and its purpose was to bring together industrialists from other parts of the country and their Durham counterparts. Like many Southern cities, Durham is courting new industry, is making a successful attempt to refashion its economy into a broadly industrial one.

Durham was faced with the problem of luring busy executives away from their desks, a task that has separated a lot of men from boys. But the city—with the aid of Duke University, located there—did it. Every one of the top men who accepted invitations showed up, except Lowell Thomas (off two days before the event for the far reaches of the Pacific) and President Thomas Armstrong (with an Eastern Air Lines strike on his hands). Altogether some 70 tycoons spent a weekend in the community.

How Durham pulled off its coup is an inside story, with ideas you might use if your company or organization needs the cooperation and presence of important people.

A Committee of 100, organized four years ago, set up a sub-committee to plan the affair. Immediately, the aid and cooperation of the Durham Merchants Association, the Chamber of Commerce and Duke was sought. Representatives of these four groups formed a nucleus which began working months before the event, carefully selecting the hoped-for guests, planning the weekend in minute detail. Each guest was urged to bring his wife, and activities for the ladies were planned for the peri-

ods when their husbands would be visiting local plants or technological centers.

The invitation stressed the opportunity to see such diverse sights as a tobacco auction sale, research facilities at the Duke University Medical Center, a cigaret manufacturing plant, the atomic reactor at North Carolina State College, the Van de Graaf Accelerator, research facilities at the Duke School of Engineering.

But the social side of the weekend was not neglected: Guests were met upon arrival and taken to the Hope Valley Country Club, "home base" for principal activities. The first event was a cocktail party there with a buffet dinner (no speeches; only a welcome from North Carolina's Governor Hodges) afterwards. Next day, the Duke-Illinois football game. That evening, a reception.

Durham's success was planned. A few of the built-in factors that guaranteed it are easily adapted. For your future reference:

1. Sell the idea of excitement.
2. Sell the off-beat: In Durham's case it was a weekend of observation, but Southern hospitality was the main attraction.
3. Stress the what's-in-it-for-me angle: Play up important people who will attend the function. (This device also helps assure the presence of those same important people.)
4. If you're aiming for the top man of an organization, don't compromise. If your man can't attend, don't downgrade your invitation.
5. Get the cooperation of local media—national, too, if possible.
6. Make your initial appeal with

a carefully planned personal letter. If this doesn't pull, use the long-distance telephone.

7. Have a local host and hostess for each visiting couple. (Durham used, in many cases, local managers who had national bosses as their guests.)

8. Let your contact know he'll be doing you a real favor by attending. Everyone likes intelligent flattery. Assure your man that his presence will immeasurably add to the success of an important affair.

9. After you have your man, don't let him down. Plan your program so well he won't feel you got him by false pretenses. This is most important.

10. Make the occasion as interesting as possible. Study your guests' interests. Try to give each man something tailored to his personal requirements.

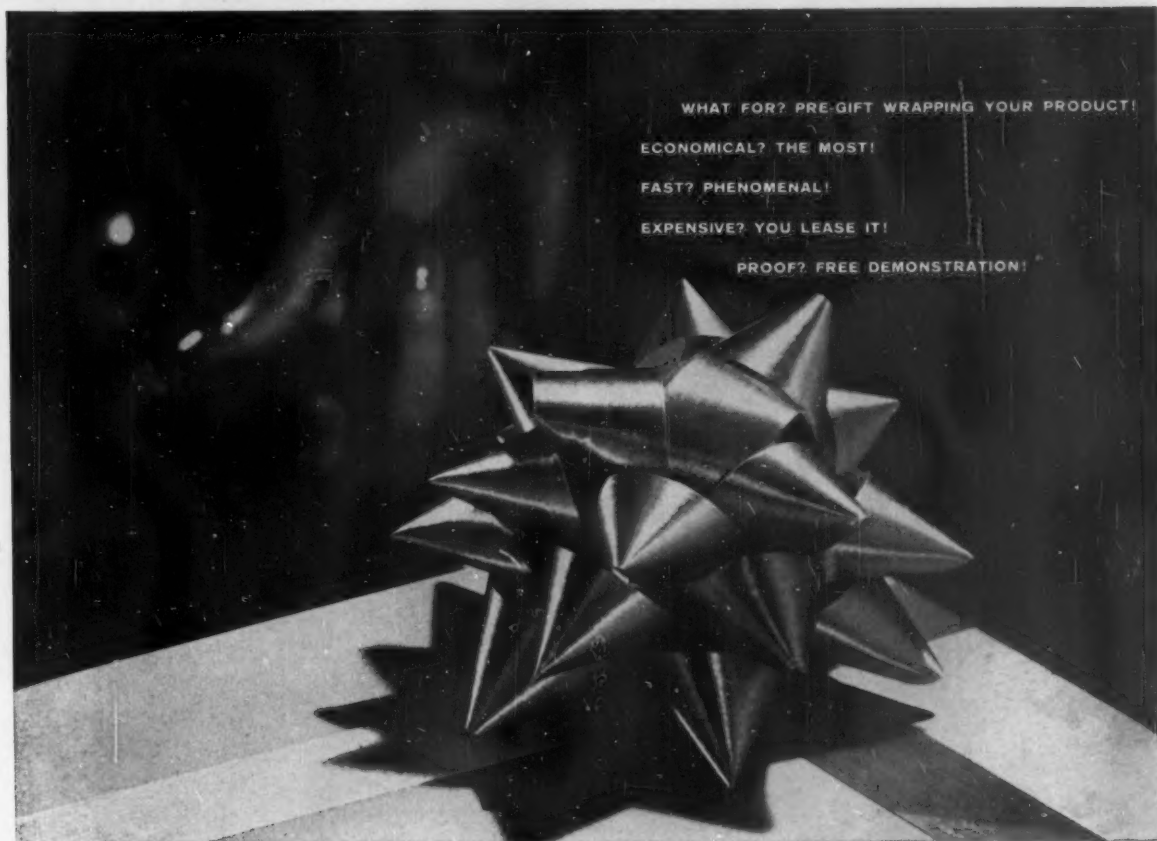
11. Follow up. A thank-you letter is *de rigueur*. But look for something else you can send him: a transcription of important speeches; pictures of the occasion; a detailed answer to questions he may have posed. Above all, let him know you appreciate his having attended.

12. Enlist his aid in some part of future planning. Ask him for suggestions and ideas.

13. Don't forget his wife, if she has also been a guest. A personal letter to her after the event will sometimes move mountains!

And if you have Durham's same experience, it will be an occasion well worth your efforts! ♦

What is the "mystery machine" that ties the beautiful star bow?



WHAT FOR? PRE-GIFT WRAPPING YOUR PRODUCT!

ECONOMICAL? THE MOST!

FAST? PHENOMENAL!

EXPENSIVE? YOU LEASE IT!

PROOF? FREE DEMONSTRATION!

WRITE 3M AND YOU'LL KNOW!

Want to dress your product for more sales next Christmas? Who doesn't? Then write 3M for a free demonstration of just-unveiled S-71 "mystery machine" that—for the first time ever—*completely* ties a finished bow! No strings to tie . . . no loops to pull out. Simply turn the handle. With production line speed and economy, the S-71 ties the

beautiful star bow—all by itself. Now, as never before, pre-gift wrapping your product for an exciting new twist to Christmas merchandising is a practical reality. Start planning now to boost sales with glowing SASHEEN® Brand Ribbon or lacy DECORETTE® Brand Ribbon—and this magical new machine. Fill out and mail the coupon today.

YOUR PRODUCT?

It could be! The S-71 "mystery machine" helps you pre-gift wrap quickly, economically, beautifully to increase Christmas sales!



"SASHEEN" and "DECORETTE" are registered trademarks of the 3M Company, St. Paul 6, Minnesota. Export: 99 Park Avenue, New York. Canada: London, Ontario. © 1959 3M Co.

MINNESOTA MINING AND MANUFACTURING COMPANY
... WHERE RESEARCH IS THE KEY TO TOMORROW



WRITE TO:

Gift Wrap & Fabrics Division, 3M Company,
Dept. VN-19, St. Paul 6, Minnesota

Gentlemen:

*I would like to learn the mystery of the S-71 "mystery machine".
Please have your 3M salesman call and give me a free demonstration.*

NAME _____

COMPANY _____

ADDRESS _____

CITY _____ ZONE _____ STATE _____



The Big Gun at Colt's

Back in 1956 Colt's Patent Fire Arms Manufacturing Co. was in trouble: Sales were dropping faster than bad men in a TV western. Then an ex-newspaperman-turned-salesman moved in. He was—and is—Fred A. Roff, Jr. And he came into Colt's corporate life from Barrington Associates, a New York management consultant firm, where he headed the Marketing Division. He was one of nine candidates Colt was considering for the job of taking a dead aim on sales. Roff scored the bull's-eye. He

took over a sick company and each year since it has shown a substantial increase, even during a recession year. As a New Year's gift the company awarded him its biggest trophy—the presidency . . . Roff nursed Colt's to a healthy condition by refusing to do business-as-usual. Early in '57, for instance, he instituted a radical new sales policy: He sold Colt's only to dealers, eliminating jobbers. This gave shopkeepers better incentive and a realistic profit picture. He made dealerships selective rather than ex-

clusive. When those TV Westerns began riding high, he talked Warner Brothers into doing the "Colt 45" series, saw his company's sales in western-type arms skyrocket. Last year, defying pessimism, he put Colt's back in the long-arm business after its 50 years of dormancy in the field . . . In his youth Roff wrote a political column and was a sports reporter. But he soon abandoned newspaper work for the better-paying field of sales. He once was sales training director for Bigelow-Sanford Carpet Co.

General Mills' Grocery Captain

A southpaw with the resounding name of Ameel Zola Kouri is the new executive vp in charge of Consumer Food Activities—its biggest business area—for General Mills. He confounds people who know only his name by speaking with a soft Southern accent. He confounds people who know both name and accent with his fund of knowledge about his company's myriad activities, his grasp of what needs to be done next. He's responsible at the highest level of management for the marketing and sales of grocery products, refrigerated foods and O-Cel-O sponge products—all part of Consumer Food Activities. He's also responsible at top management level for corporate advertising . . . Zouri's



family moved, when he was six, from Oklahoma to Texas. He was graduated from the University of Texas in 1931 and went to work for General Mills a year later. By '35 he was state supervisor of the Gold Medal Co. of Texas and two years later became su-

pervisor of the Dallas District office. After Naval service he returned to General Mills, was named Grocery Products Division sales executive. He's been a company vp since 1955. He's a Southern Baptist, a Shriner, a prime mover in Red Cross activities.

At Eight, a Salesman: Now He's On Ice

Wes Brient is on the hot spot, selling cool products: He's just been appointed product manager of the newly formed Room Air Conditioner Division of Amana Refrigeration, Inc. (Amana is best-known for its home freezers. Since it began, in 1954, making and selling room air conditioning units, it ranks as one of the country's major producers of coolers.) Brient comes to Amana with built-in savvy: He was vp of Vornado Distributing Co. He took his first sales job—selling newspapers—at the age of eight. Later he worked in a drug store soda fountain, still later helped support himself and his nine brothers and sisters while they were going to school and college. His appointment with Amana marks the company's thoughtful decision to lay even greater emphasis on its air conditioning activities. Amana's vice president, Walter Wendler, puts it this way: "Only a relatively small number of electrified houses have air conditioning. We believe a great sales potential exists for a superlatively built unit." Says Brient: "Our units are different. All important components are made in the Amana plant . . . all coil manufacturing, stamping and metal parts. Watch us cool off the competition!"

JANUARY 16, 1959



How to Fail Successfully...

With Advertising

By MELVIN S. HATTWICK
Director of Advertising
Continental Oil Co.

TO FAIL SUCCESSFULLY is not exactly easy. That's been our experience at Continental Oil Co.

It takes a lot of work, considerable money and lots of planning. And then, just as you're on the verge of failure, it's possible that the worst can happen—you may not fail, you may succeed.

Fortunately the case history described here was a resounding success, for it failed miserably. We were very happy with our successful failure for reasons which will be revealed below.

The first step in failing successfully is generally known as the creative phase, or, as they say on Madison Avenue, "the great idea" phase.

The "great idea" in this case was born during the period several years ago generally recorded by historians as the "barrier-breaking era." You will remember that in the mid-1950's jets were breaking the sound barrier fairly frequently. A fellow named Bannister was breaking the four-minute-mile barrier. Submarines were breaking depth barriers.

With barriers so much in the news, you can see how natural it was for someone to think this theme might

lend itself to an advertising campaign.

At that time we had a combination of our top-grade gasoline plus our top-grade motor oil which gave the best performance of any combination of competitive products, as our laboratory tests showed. We had evidence of superior performance. Now how could we dramatize it? Well, weren't we breaking a performance barrier? It seemed we were.

Our agency had done a great deal of thinking, creating, library researching, and finalizing before it recommended this "Break The Performance Barrier" campaign.

Just to prove I'm no prophet—except on how to fail—I judged this idea a pretty dramatic one with real possibilities. Certainly, I thought, it should get plenty of consumer attention and interest.

As it must to all over-all advertising and marketing plans, this one came up for review before our Sales Programming Committee which is chairmanned by the vp and general manager of marketing and includes in its membership the assistant general manager of marketing, the director of advertising, the advertising manager, the sales promotion manager, plus

representatives from sales training, market research, and technical services. After considerable discussion it became obvious that the committee was split into two groups: one that judged the campaign was an excellent one, another that had a less positive reaction.

What to do?

Well, the market research director and I have an answer we give with great regularity in such meetings: Let's pretest. In this case we had time, since this campaign was not scheduled for a year. The agency concurred.

The committee agreed.

Now we come to step No. 2 in failing successfully—the execution stage. (Or, as they say on Main Street out in Kansas City and Denver, "Let's find out if the bucket leaks.")

So we pretested not just the copy, but the whole selling idea.

We worked out a complete advertising-sales promotion and marketing plan at headquarters as if this were a program to be used in all markets. But we picked just five in which to make the test.

We held a sales meeting attended by division and district managers



In Advertising: Psychology Counts

Dr. Melvin H. Hattwick has a Ph.D. in Psychology from the University of Iowa. But he's "Mel" to everyone. He's anything but a long-haired maestro. For example: After being awarded his Doctorate he went to work as an office boy for New York's Batten, Barton, Durstine & Osborn, Inc. After four years and a baker's dozen of jobs with the agency, he joined Needham, Louis & Brorby, Inc., as a writer. Then he was on the faculty of Northwestern University for 10 years, lecturing on

the psychology of advertising and selling. At the same time he was in private practice as a business psychology consultant! Several years ago he was appointed to the (then) newly created post of director of advertising for Continental Oil Co., with headquarters in Houston. He's author of several advertising and sales textbooks, a member of many high-minded associations and societies, most of which are dedicated to finding out why people behave like humans.

The Farmer-Stockman

Edited to Help Rural Families Grow Better Crops, Improve Their Livestock, Buy Modern Equipment and Achieve Better Living

Effective February Issue-

NEW PAGE SIZE

Believing it will help advertisers for state farm publications to be more standardized, The Farmer-Stockman is again published in the larger 760-line page.

SHORTER CLOSING DATES

To coincide with closing dates of other state farm publications, the closing date of The Farmer-Stockman is now shortened to 15 days prior to issue date.

LETTERPRESS PRINTING

The Farmer-Stockman again will be printed by the letterpress process so that materials prepared for other state farm publications can also be used in the Farmer-Stockman.

★ **EDITED SEPARATELY FOR TEXAS AND SEPARATELY FOR OKLAHOMA!**

★ **MILLINE COST is lower than 29 of 30 other state farm papers!**

★ **LINE RATE reduced to \$3.25!**

436,000 PAID SUBSCRIBERS
An all-time high!

OFFICES

- 400 N. Michigan Avenue
Chicago 11, Superior 7-6145
- 4321 N. Central Expressway
Dallas 5, Lakeside 1-3121
- 420 Lexington Avenue
New York 17, Murray Hill 4-3340
- 500 N. Broadway
Oklahoma City 1, Central 2-3311

The Farmer-Stockman

OKLAHOMA CITY - DALLAS

J. H. Hunter, Advertising Director

"This is the size we use for the Growing Greensboro Market!"



You can spread your sales message far and wide in the growing Greensboro market. Over 1,000,000 people live within a 50 mile radius. The ABC Retail Trading Area has 1/6 of North Carolina's families, 1/5 of North Carolina's total retail sales, and 1/5 of North Carolina's gain in retail sales (1957 over 1948). Sales come easier in the growing Greensboro Metropolitan Market, now 15th in the South in total retail sales. Get real coverage in the Greensboro News and Record. Over 100,000 circulation daily; over 400,000 readers daily.

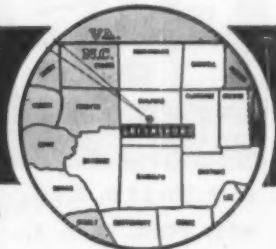
Only medium with dominant coverage in the Growing Greensboro Market and with selling influence in over half of North Carolina!

Write today for your free 1958 Major Markets Analysis Brochure of all 280 Major Markets.

Sales Management Figures

Greensboro News and Record

GREENSBORO, NORTH CAROLINA
Represented by Jann & Kelley, Inc.



It's 2 to 1

in fast-service
eating places,
twice-the-turnover
per seat means...

**MORE Meals
MORE Sales
MORE Profits**

NO MATTER WHAT YOU CALL THEM

Coffee Shops
Confectionery Stores
Counter Restaurants
Department Stores
Diners
Drive-Ins
Drug Stores
Fountain Restaurants
Industrial Cafeterias
Luncheonettes
Sandwich Shops
Variety Stores

NO MATTER WHERE YOU FIND THEM

Airports
Bus Terminals
Railroad Stations
Main Streets
Main Highways
In Industry

**THEY ALL HAVE
ONE THING IN COMMON—**

FAST SERVICE

To effectively reach this
specialized market specify
FAST FOOD
for an advertising schedule

BPA

NBP

FAST FOOD

magazine

630 THIRD AVE.
NEW YORK 17, N. Y.



from each territory in which the test was to be made. We gave them the full treatment: advertising materials, point-of-purchase pieces, dealer aids, consumer handouts, and so on. We put on a sample dealer meeting for them which they later put on for dealers in each test market, complete with steak dinner.

► In short, for these test markets we went all out to make certain we handled the program just as we would a full-scale one.

Everybody was full of confidence. The dealers said they liked it—particularly the steaks.

The Performance Barrier Day dawned.

And like the Republicans on Election Day, November, 1948, we relaxed with a feeling of self-assurance. We waited for returns.

But somebody named Harry spoiled our show—Harry and a lot of other people named Joe, and Mike, and Jim, and Helen, and Mable, and Rosemary. They were just the thousands of consumers who for the next three months never got the word that we could break their Performance Barriers for them if they'd only come in and tank up on that wonderful Conoco gasoline and put Conoco Super Motor Oil in the crank case.

During that time big, blasting, dramatic ads in newspapers pictured barriers being blasted into oblivion.

Radio spots were breaking sound barriers right and left telling listeners of the great news.

And big, beautiful pole signs at service stations, plus dazzling parking signs, let no one forget that at last a gasoline plus motor-oil combination was available that broke the Performance Barrier.

For three months we kept at it, with twice the advertising power normally applied during regular advertising periods.

Now we come to step No. 3 in how to fail successfully. This is known in the advertising department as the Evaluative Phase—and in some quarters as a stage labeled Purgatory.

Our evaluation had been planned to include three measurements: sales increases, or lack of them; consumer awareness of the campaign after the three-month period; dealer cooperation and interest.

I can give you the results in short order.

- In these markets during this test-months period we found no sales increases in gasoline after taking into account seasonal fluctuations.

- In these markets after the three-month period we could find very little consumer awareness of the campaign and practically no recall or understanding of what the Performance Barrier meant.

- As for the dealers, through disguised calls we found that their interest in the campaign was quite low. They didn't even give out the consumer handouts we had prepared in most instances. When asked directly what was meant by Breaking the Performance Barrier most couldn't explain it, or didn't want to do so.

So on three counts — sales, consumer awareness, dealer interest and participation — we had failed. Like mighty Casey we had struck out. The Performance Barrier had indeed been a barrier in more ways than one.

Were we downhearted? Yes, and no. No one really likes to fail. But

New Promotion Handbook

The first comprehensive reference handbook, long needed by sales promotion executives, listing thousands of suppliers will be available in April 1959. This is one of the major projects now being planned by the Sales Promotion Executives Association, New York, N. Y. Title of the book: Sales Promotion Executives Reference Handbook for 1959. It will be issued to all who attend the Second Annual National Conference of SPEA at the Hotel Roosevelt, April 1, 2, 3. Additional distribution will be made to other sales promotion executives.

The book will contain an alphabetical listing of suppliers by type of service. Here are a few of the services to be covered: art, printers, binders, premiums, exhibit planners, machinery and equipment, addressing, research, sales promotion agencies, sales training aids, stationers, and many other related lines. Henceforth, each year an up-dated Handbook will be released.

on the other hand we were mighty happy that we had tested the great idea. Because we had learned at the cost of some thousands of dollars that an idea which looked good wouldn't necessarily prove out. If we hadn't tested it we could have invested as much as a million dollars and more on a poor bet.

Now there is a step No. 4, the final one, in failing successfully.

This is known as the Inquisition, or why-the-hell-didn't-it-work phase.

Here we had help from both the consumer-awareness study and from the disguised dealer interviews.

► Dealers (and their station help particularly) didn't get the idea too clearly. True they saw the point-of-purchase material all the time and they must have talked about it. But, as they said when questioned, the idea was a little complicated, somewhat foreign to the selling of gasoline, and maybe a bit far-fetched.

Consumers interviewed weren't quite so polite.

Those who remembered the advertising said things like this:

"I don't get it."

"Something about barriers, or hurdles, or something."

"Not simple enough."

"Just an advertising claim."

"Kinda hard to believe."

And there was one interesting comment from the owner of a '49 model which went like this: "Listen, bub, there just ain't no gas made that'll make my jalopy break no barriers."

It wasn't a simple story; and, even though true, it wasn't believable to many who did understand it.

In short, consumers battered daily by the 1,500-plus ads which Ed Ebel says clamor for consumer attention, didn't pay attention to our advertising because it wasn't a simple enough idea.

We believe—and you know hindsight for all of us is 20-20—the idea was just too complex. And we country boys in the oil business find our customers (and dealers, too) don't go for a complex sales story, even when it's done by the best writers and artists money can buy. And there's nothing more expensive than writers and artists whose advertising efforts don't get attention.

So we now try to keep our story simple. That way we figure more folks will see it, get it, believe it, buy it. That way we won't fail successfully but, more likely, will succeed surprisingly. ♦

Based on a talk given by Dr. Hattwick at the Association of National Advertisers annual meeting in Hot Springs, Virginia.

JANUARY 16, 1959

Leadership

Here, taken directly from *Media Records* is the *Men's Clothing Store Linage* for Buffalo, January-November 1958.

COURIER-EXPRESS

Daily 723,953

Sunday 85,286

EVENING NEWS

. 271,869

Thus, the Courier-Express carries 72.7% of daily and 74.8% of total lineage in this important classification.

You will agree that these figures tell a powerful and authentic story.

Buffalo Courier-Express

Western New York's Only Morning and Sunday Newspaper

ROP COLOR available both daily and Sunday

Member: Metro Sunday Comics and Sunday Magazine Networks

Representatives:

Scolaro, Meeker & Scott

Pacific Coast:

Doyle & Hawley



Ideas in Newspaper
AD-CLIPPINGS
that
PAY OFF!

Selected to fit your needs! Ideas that will help you get real results!

VINCENT EDWARDS & CO.
World's Largest Advertising Service Organization
342 Madison Ave., New York City,
Please tell me more about your newspaper ad clipping service and special short term trial offer.

Name

Company

City

VINCENT EDWARDS & CO.
342 MADISON AVENUE
NEW YORK CITY

He corrected his selling mistakes...

*to reach the \$1,000,000
mark in sales!*



Joseph B. Hussong
6136 Irving Avenue
Pennsauken, New Jersey

We heard it from Joe Hussong's instructor in the Dale Carnegie Sales Course. "Joe was a good salesman, but he was ambitious to become a better one. Then it happened—during the sixth session of the Course, he seemed to discover what he had been doing wrong. From that time on he began to pick up his mistakes, and his selling became easier. Let Joe himself tell you the rest . . ."

"I'll tell it with figures," says Joe Hussong. "Here are my production records for the five years before I took the Dale Carnegie Sales Course. They show that I sold the following volume of life insurance for my company, Provident Mutual Life Insurance Company of Philadelphia:

1952.....	\$219,300
1953.....	\$313,100
1954.....	\$324,600
1955.....	\$383,700
1956.....	\$480,600

In late 1956, I took the course. Then in:

1957.....	\$1,022,000
-----------	-------------

I don't know what happened that night. I guess I came out of my shell for the first time in my life. Taking the course was the most profitable investment I ever made!"

Here is a sales course that makes sense. The salesman learns by *doing*, by selling *his own product or service* in a unique "sales laboratory" under the experienced eyes of salesman-instructors. This is no "one-nighter" pep-up course. The effects are lasting. The salesman permanently implants tested selling principles into his daily work habits.

Now in 177 cities! Whether your salesmen are local or all over the map they can now profit from identical training. And they are welcome to visit any evening class in any city, at any time. Write on your company letterhead for complete information. We'll send you the name and address of the Dale Carnegie Sales Course representative nearest you.

DALE CARNEGIE Sales Course



DALE CARNEGIE

DEPT. SM-5932, 15 WEST 46TH ST., NEW YORK CITY 36, N.Y.
In its objectives, method and application, this course of practical training in salesmanship differs entirely from the Dale Carnegie Course in Effective Speaking, Leadership, and Human Relations.

SALES MANAGEMENT

Marketing in Moscow

(continued from page 39)

blouses are available at another store. The news gets around quickly. You'll see people line up at 6 a.m. at a store that opens at 8 a.m.

Questions Asked Most Frequently

1. Were you free to move around?

A pretty, pert, spunky girl at the Intourist (the agency which handles all foreign tourists) Service Bureau in the National Hotel anticipated this question. In flawless English she opened our conversation by volunteering, "You can go anywhere you like, with or without your guide interpreter, and you can take photographs anywhere you like, including inside the Kremlin walls. Please do." I can speak only for myself; I found no restrictions.

2. Were you followed?

I never had reason to believe so. There are thousands of foreigners in Moscow today. Tailing all of them would be a chore.

3. Was your telephone tapped?

I made one call to Paris, and received two local calls. The last call was from my Intourist interpreter to say goodbye. She did not seem to be the least bit afraid of a tapped line. An Intourist girl kidded me about how afraid the recipient of my call in Paris would be to find Moscow on the line!

Why Russia Is So Nostalgic About 1930

United States businessmen shipped \$114 million worth of American products to the U.S.S.R. in 1930. In turn, the Soviet Union exported \$24 million worth of materials to the United States. Soviet Deputy Foreign Trade Minister Kuzmin fondly recalled, in his exclusive interview with Sales Management, the volume of this trade. (See page 37, "Why Won't You Trade?")

Kuzmin, repeatedly asked, "Why is there a lack of will to trade"—now?

The decline in trade, since 1930, is startling.

The United States exported, in 1957, to the Soviet Union products valued at only \$4.5 million. In turn, the Soviet Union exported to the United States only \$16.8 million.

Machinery and vehicles accounted for \$90 million of the \$114 million U. S. exports to the Soviet Union in 1930. Tractors were a big item.

What did Americans buy in the Soviet Union in 1957? Major items: \$6.3 million of benzene, \$600,000 each worth of cotton linters, platinum, and naphthalene.

What did Americans export to the Soviet Union in 1957? Major items: \$2.7 of inedible tallow, and, surprisingly, \$1.7 million worth of hides and skins.



IT LOOKS LIKE AN AMERICAN BUS! Russian-made diesel and trolley buses are superb. Scene: Moscow in mid-December.

4. Were your bags searched?

Each day the maid would place my Russian fur hat in the bureau and each night I would return it to the top of my two suiter so I would not rush away and leave it behind. On arrival at the airport, at midnight, I told the customs official I was a tourist, and he waved me off with a smile. I had to open my bag at Idlewild in New York.

5. Did you receive an accurate translation?

I talked about trade and hospital matters in which I have some competence. When I made some unflattering comment, my listeners were impassive or scowled. If I made a joke they laughed. My interpreter, Miss Nina Geseleva, used the same words and expressions that one American would employ in talking with another.

Soviet Trade Shows

June 10, in the Coliseum in New York City, you can visit the U. S. S. R.'s exhibit, to cost more than \$1 million, of industrial, scientific, and cultural progress.

On July 4, Russians will have the opportunity to visit the American trade exhibit to be erected in Sokolniki Park in Moscow.

Soviet Surprises

- There are no bars in Moscow. Literally! Liquor by the drink is served only in restaurants. To buy a single drink it is necessary, in winter, to check your hat, coat and overshoes and sit at a table. You buy by weight. One hundred grams, for example. You can buy liquor by the bottle in stores much as you would in a package store in the United States. Except, you might find a fruit stand or a candy counter next to the liquor.

On January 1, Premier Khrushchev, by decree, set a limit of a 100-gram glass of vodka to a customer per meal. The customer can be served liquor only if he orders a meal. Liquor by the bottle will also be restricted to special stores.

- Prices are uniform and seldom vary from month to month. This would be a Fair Trader's paradise. Everything is price fixed.

- Ice cream is wonderful. Muscovites walk through the snow eating ice cream. It is delicious. In most places it is sold by weight. ♦

Advertisers Harness More Media-Power To Pull '59 Sales up the Hill

(continued from page 35)

and Evening Tribune: "Our present advertising orders for early 1959 are about 5% behind a year ago. However, we receive orders much closer to deadlines than in the past. We believe 1959 will show considerable improvement over 1958."

Lang M. Goodwin, Seattle Post-Intelligencer: "Every indication points to increased national volume in first quarter 1959. We believe advertisers will use more color and seek spectaculars for newspaper dominance. Seattle's 20-county market is growing rapidly. Business and home-building activity should continue at a high level in 1959."

G. P. Swanson, Spokesman-Review and Spokane Daily Chronicle: "Advance orders on our books for national advertising are 2.7% more than a year ago. In total lineage Spokane newspapers experienced a rather sharp upturn in fourth quarter 1958. As compared with a first-three-quarters decline of 8.5% in total lineage, the last quarter gained 2%. Local merchants enjoyed tremendous Christmas business and are entering the new year most optimistic."

Farm Publications

Dana Fernald, vp of the Farm Journal, Philadelphia, reports that "The February issue is now closing nearly 2,000 lines ahead of February 1958. Our branch offices estimate lineage increases from 14% to 27% for 1959."

"Especially gratifying is the fact that the Central regional edition increased ad volume 100% (up 50,000 lines) during 1958. Orders on hand indicate a further growth of at least 30,000 additional lines by regional advertisers in this edition during 1959."

"Farm families have just experienced one of the best years in history. Now the rising industrial economy is creating more part-time employment opportunity for farm-operator families . . . Total assets of agriculture now exceed \$200 billion, with equity at \$177 billion."

Karyl Van, vp of Meredith Publishing, Des Moines, says: "Successful Farming is considerably ahead, with gains indicated in the 10% area."

Paul Huey, vp of Progressive Farmer, Birmingham, Ala.: "Our advertising outlook is substantially improved over this date last year. Conspicuous improvement in southern

farm income has been instrumental in bringing several new advertisers into the Progressive Farmer and renewals from regular advertisers indicate less than usual annual mortality. Advance bookings and other indications lead us to expect very near the same lineage as in 1958. We have made no increase in advertising rates, but the trend to four-color will help revenue."

Business Publications

Businesses and business publications grow together. Individual business publications are quick to reflect the trends in their trades or industries. They are also quick to catch the significance of the trades and industries—the materials and products and the sinews—of Tomorrow.

With continuing sales progress in some areas and gradual comeback from the "hard goods recession" in others, the picture of advertising booked by business publications is mixed.

But reporting for some 30 of them in McGraw-Hill, Joseph H. Allen says: "Advertising volume on the books today (December 1958) is 1.9% under the volume as of December 1957. However, we feel that contracts are slow coming in and that volume will improve early in the new year. Our forecast for total 1959 volume is 5% more than 1958."

For Business Week, John M. Holden estimates "a 10% increase in advertising pages and dollar volume for 1959. Orders on books for first quarter of 1959 are nearly even with a year ago for first quarter 1958—which was the best of that year. Business Week is budgeting for first quarter 1959 to be even with first quarter 1958, and for consistent increase throughout rest of the year."

"In the past two weeks we have received orders for 160 pages of advertising from companies that cancelled contracts in late 1957 or early 1958. We believe this is a sign of a firm upturn in industrial advertising."

John H. Hartman, president of Bill Brothers Publications: "In 1958 our nine publications as a group were ahead about 2% in page and 10% in dollar volume. In 1959, from the start, our industrial publications are showing gains. So are two of the three merchandising publications. Of the four marketing books, Premium Practice

and Sales Meetings have started the new year at levels above a year ago, and Sales Management and Tide are unchanged. All are expected to rise sharply later."

Louis W. Fairchild, president of Fairchild Publications: "Lineage on books and other indicators point to a 10% gain in the first six months, with a somewhat larger increase in the last six. In the last 15 days there has been an opening of flood gates on orders for January and schedules for the year . . . We think the new year is going to be really new in every way—new thinking, new methods, new approaches to old problems, new summit reached."

George C. Buzby, president of Chilton Co., Philadelphia: "Indications point to an 8 to 10% increase in advertising pages in '59, over '58, as far as Chilton Publications are concerned."

Russell C. Jaenke, president of Penton Publishing Co., Cleveland: "In 1958 the dollar volume of our five industrial publications was down more than 10% from 1957. First quarter 1959 also may be down. But the trend line is up."

► Tom W. Nelson of Gulf Publishing Co., Houston: "Our situation looks definitely better. On World Oil we have commitments or what we believe to be valid assurances for an increase of 303 pages in 1959 from 1958. This would be a 15% net space increase. Petroleum Refiner can count already on 153 more pages, or a 6% gain, which should make for a record year for this 37-year-old publication. On Pipe Line Industry we expect an increase of about 20%, or 125 or more pages."

James C. Brettman, American Aviation, Washington: "Commitments for all types of jet aircraft have sparked a tremendous sales boom for allied and support equipment manufacturers. As the only publication exclusively serving these manufacturers, American Aviation expects larger advertising volume in 1959."

Richard Webber of Automotive News, Detroit: "As of this date, 1959 business is only slightly improved over 1958. We expect a fairly slow first quarter, with a general pickup later in the year. Advertisers seem to have a wait-and-see attitude. Good car sales in January and February should solve a lot of problems for everyone."

J. H. Thompson of Electric Light & Power, Chicago, serving the electric utilities industries, anticipates an advertising gain this year of "10 to 15%."

A New York industrial publisher finds "it's much too early for any

WHAT DOES IT TAKE TO MAKE A SALE?

A Market with Potential . . . And a Medium That Penetrates!

Here's the combination you need . . . the big Columbus, Ohio, market with an average family spendable income of \$7,251 and The Dispatch that is read in four out of five

homes daily . . . nine out of ten Sunday. Investigate the additional savings afforded by the new Dispatch-Ohio State Journal optional combination rate.

Columbus
has the
buying power...
The DISPATCH
has the selling
power

Representatives: O'Moro & Ormsbee, Inc.

The Columbus Dispatch

meaningful guesstimate. Renewals are about 10% slower. We believe an up-trend will start in April."

Two building construction publications report business now booked at a slightly lower level than a year ago, but expect gains for the year. Richard N. Jones of Time, Inc.'s, House & Home believes 1959 advertising volume will rise "15% or better."

Blake Hughes of F. W. Dodge Corp., New York, says that the January 1959 issue of Architectural Record carries 220 pages of advertising—"a gain of 23 pages over the January 1958 issue."

Stuart Siegel of Breskin Publications, New York (Modern Packaging, Modern Plastics): "Contracts in so far are below the level of same date last year. But indications are that we will carry at least as much volume for the coming year."

Elmer Seaman of Chain Store Age, New York: "Advertising schedules for 1959 running considerably ahead of 1958. Chains predict their sales will increase 6 to 8%. Our 20th annual Construction and Modernization Survey, released January 1, shows that the chains will open 10,450 new stores in 1959, with a record expenditure of \$1,570,000,000 for store construction and equipment. Some 900 new shopping centers will be built in 1959."

M. E. Herz, publisher of Modern

Medicine, Minneapolis: "At this time we estimate that 1959 advertising page volume in Modern Medicine will show an increase of about 10%."

Radio and Television

Because many radio stations have TV affiliates, or vice versa, and sometimes their trend figures are jointly reported, these two highly competitive broadcast media are summarized together.

Network radio has begun the long climb back. Both NBC and CBS say that the dollar volume of radio business now booked is 10% higher than that of the same date last year. ABC won't talk in terms of signed dollars—but expects a 25% gain for the year.

In network TV: On the strength of business already signed, ABC expects 1959 volume to be 20% more than its \$106 million in 1958.

For the first 10 months of 1958 CBS-TV volume rose 3.7% to \$203 million. Despite late-year slackening, the 1958 volume was expected to exceed the total of \$239.2 million of 1957. At this writing, however, CBS-TV has 48½ nighttime half-hours a week sold, as against 51½ half-hours a year ago. Daytime sales are identical with a year ago—both 103 quarter-hours sold.

On NBC-TV "business booked virtually duplicates the record for the same time a year ago. The difference, if any, is insignificant."

Peter Lasker, vp for sales of Crosley Broadcasting Co.: "For our radio station (WLW, Cincinnati) in 1959 we anticipate a 6% increase in business over 1958. In the first month of the fiscal year, started December 1, WLW was 17.7% ahead of a year ago."

With a 20% gain in December, Crosley expects an increase of 6% or more for its five TV stations—in Cincinnati, Dayton, Columbus, Indianapolis and Atlanta.

The "reps" have a broad view on both spot TV and spot radio. Edward Codel reports that the Katz Agency is "booking a larger volume of spot TV business than last year. The first quarter of 1959 will continue this upward trend." As for spot radio, Codel points out that "volume for 1958 was down slightly from 1957," the firm's largest year in this medium. "We believe that 1959 will start off slowly, then pick up pace to exceed 1958."

Adam Young of Young TV Corp.: "Spot TV business already booked for 1959 exceeds that of a year ago by 36.8%." . . . Another rep firm, preferring anonymity, expects "a 25% increase in 1959." . . . Joseph J. Weed of Weed Television Corp.: "The busi-

ness on our books today is 11% greater than it was on the same day a year ago."

Lloyd Griffin of Peters Griffin Woodward, Inc.: "Spot television came into its own as a primary advertising medium in 1958. We have a larger volume of future national spot business on the books now than we did last year, and we expect reasonable increases on most stations."

Thomas B. Cookerly of WBTV, Charlotte: Business now booked is up 11%. "Most of this increase is in national sales, which shows not only a recovery from the recession but increased emphasis on spot TV as an advertising medium. From the number of 52-week orders that have come in recently, it appears that advertisers are confident that 1959 will be a very good year."

Gaines Kelley of WFMY-TV, Greensboro, N. C.: After a first-half decline, advertising expanded fast enough to permit 1958 to "tie" 1957 as the station's biggest year. "I look to 1959 as a challenging year and a good one."

WSFA-TV, Montgomery: Gross revenue rose 13½% in 1958. With surveys showing the "Montgomery market third in the nation in percentage increase in retail sales, we look for further growth this year."

One southern radio and TV "pair" estimates 1959 gross sales volume "6½% more than our 1958 total." . . . Lester C. Rau of KOLN-TV, Lincoln, Neb.: "1959 volume on books today about 12% over 1957 projection for 1958." . . . Edgar T. Bell of KWTU, Oklahoma City: "Business shows slight decrease in future billing. But we expect 1959 to show pickup. Local TV

business reflects expanding retail sales."

A Southern California radio station with "1959 gross 17% under 1958" prefers "non-identification." . . . Another Southern California TV station keeps its sales figures confidential . . . A Northern California TV station has "book volume for 1959 3% more than a year ago," but would rather remain anonymous.

Bill Bennett of KTRK-TV, Houston, is less bashful: "1958 dollar volume approximately 30% above 1957. Our current activity indicates 1959 will continue trend at 20% or more above the 1958 level."

Outdoor

The advertising climate outdoors in 1959 probably will be salubrious.

John L. Bricker, executive vp of Outdoor Advertising Inc., New York, estimates the "1958 net national volume for the standardized outdoor medium at 3% below the 1957 figure. Last year was noteworthy for diversification of advertisers and a record number of first-time users. Classifications showing marked gains include drugs, toiletries, tobacco, confectionery, insurance and trucks.

"A survey of 1959 prospects strongly indicates that outdoor will move substantially ahead. During 1959 OAI will mount the heaviest sales, promotion and research program in its history."

L. O. Dobson, General Outdoor Advertising Co., Inc., Chicago: "Res-

To Meet the Challenge

"We, as advertising practitioners, have had a great challenge thrown at us in the implications of the new marketing concept. Can we do something about it? I think so. Here are five basic points that should prove helpful:

- "1. Be a Realist!
- "2. Be prepared to accept change quickly. But better yet, initiate it!
- "3. Know and understand the powerful forces at work in distribution, such as the chains.
- "4. Use creative research—first to define and describe your market, second to predict your market.
- "5. Above all else, be customer minded!"

Robert E. Allen
President
Fuller & Smith & Ross, Inc.

Note to

Sales Management

readers:

You can't possibly see all the "Frustrated Freddies" (see facing page) who would like to call on you. But you do make media decisions. So, we suggest you keep in mind that media advertisements in this and every issue of *Sales Management* may contain information that could help you see advertising values that fit your sales programs.

ervations on our books today are approximately the same as a year ago. We look for a total increase and many new users of the outdoor medium."

Edward C. Donnelly of John Donnelly & Sons, Boston: "Comparisons are difficult because we know of contracts in process of being released that are not presently booked. We find long-term commitments are yielding to shorter-range planning. But our preliminary studies indicate that '59 volume will be similar to '58."

C. D. Blessed of Walker & Co., Detroit: "Outdoor advertising in Michigan's major markets serviced by our company is slightly below the total booked at same time last year. This is largely traceable to slower placement of orders, as a result of more careful planning." With a high rate of renewals and "several new campaigns being released in both the national and local categories we look for a very satisfactory year."

"Shad" Lawler of Foster & Kleiser Co., San Francisco, reports "over \$250,000 increase in sales in the year 1958—without any rate increase and despite soft economic conditions." Lawler attributes the gain to "more aggressive and creative sales techniques. Projections for 1959 indicate a continued sales climb." ♦

AD-VENTURES of FRUSTRATED FREDDIE

No 4

2:12 P.M.

BUT WE'VE GOT
ALL THE STATISTICS
IN THE WORLD...

YES, BUT CAN
YOUR MEDIUM
SELL THE
CLIENT'S
MERCHANDISE?



2:13 P.M.

WHAT THE HECK
DOES HE
EXPECT?

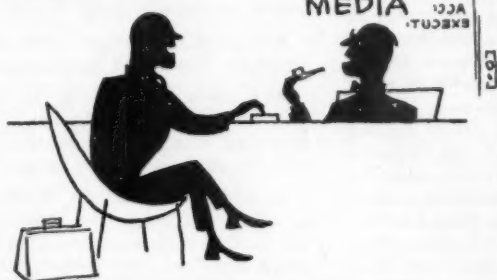
SALES...SALES...**SALES!**
CLIENTS ARE DEMANDING
RESULTS. SO STEP UP
WHATEVER YOU'RE DOING
WITH **SALES**
EXECUTIVES



2:16 P.M.

WE'VE STARTED
A CAMPAIGN IN
SALES
MANAGEMENT

WONDERFUL!...CLIENTS
ARE SHARPER
TODAY. MORE AND
MORE THEY'RE
GETTING INTO
THE ACT ON
MEDIA



2:22 P.M.

JUST HOW
HAVE THINGS
CHANGED?

SALES EXECUTIVES
ARE ON THE SPOT
TO PRODUCE MORE
VOLUME—SO THEY'RE
TAKING AN EVEN
MORE DIRECT HAND
ON MEDIA



2:25 P.M.

IS THAT
BAD?

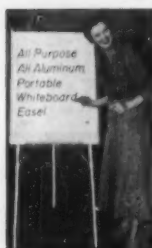
NOT AT ALL. ADVERTISING
IS JUST ONE OF THE
TOOLS OF SELLING —
SO WE **WELCOME**
THEIR INCREASED
INTEREST IN MEDIA
DECISIONS



DEAR CHIEF:

GUESS THE TIME IS COMING WHEN THE
BOYS STOP CALLING ME "FRUSTRATED"
FREDDIE. OUR SHEET IS HARD TO SELL AND
CALLS FOR VERY SUPERIOR SALESMANSHIP
YOU MUST ADMIT BUT ON THE OTHER HAND
I ADMIT FRANKLY OUR CAMPAIGN IN
SALES MANAGEMENT IS OPENING
MANY DOORS TO ME THAT WERE
CLOSED BEFORE AND THE BIG
GUYS ARE REMINDED WHEN I
AM NOT AROUND. SO THANKS
FOR THE LIFT. **FREDDIE**

ANSWER AMERICA
ANSWERS YOUR TELEPHONE
24 HOURS EVERY DAY
Offices everywhere — Act as branch offices
— Receive Mail — Accept phone
orders — For information look for
ANSWER AMERICA in the
WHITE SECTION of your tele-
phone directory or call in-
formation or write
ANSWER AMERICA, INC.
85 East Washington Street, Chicago 2, Ill.



A MODEL FOR EVERY PURPOSE

Tell your story better with an Oravisual easel. You have 26 models to choose from.

Write for free 24 page catalog.

ORAVISUAL CO.
Box 11150
St. Petersburg 33, Florida

INCREASE YOUR PRESTIGE

It pays off! Exciting, profitable things can happen to the man whose book is published under our plan. He gains recognition. Our books are written up in the N. Y. Times, Saturday Review, Winchell, Ladies' Home Journal and all key media.

FREE! The behind-the-scenes story of book publishing revealed in two brochures. Learn how you can get 40% royalties, local-national publicity and greater social-professional stature. Prompt editorial appraisal of manuscripts. Write S. Post, Exposition Press, 386 4th Ave., N. Y. 16

DISTRICT SALES MANAGER \$10,000 - \$15,000

High base salary with opportunity for substantial income growth
Growing large progressive company in home building products industry

Qualifications Required:

1. Proven Sales Capability
2. Intelligence—Willingness to Learn
3. Managerial Aptitude or Experience
4. Earnings at or near the above

Send resume and earnings record to:
Box 4035 Sales Management



CROWN
Rubber
Ad Rugs &
Counter Mats

Take Giant Sales Steps
WRITE **Crown** RUBBER CO., Fremont, Ohio

Universal Travel Expense Reports

New comprehensive weekly expense account form specially designed to meet new Internal Revenue requirements with columns for all deductions: Hotel, Food, Transportation, Phones, etc. Provides an exact, foolproof, itemized record of salesman's expenses, simplifies bookkeeping task immensely. Write for free sample.

Accounting Records Supply Co.
P.O. Box 983, Dept. SM-11, Amityville, L.I., N.Y.

Now Railroads Can't Say:

"Promotions? Not in Our Industry!"

Ever get a pitch from a switchman?

Faced with a drop in revenues of \$13 million for the first nine months, Atlantic Coast Line Railroad Co. switched to the "peaked hat" sell for six weeks and boosted revenues 10%.

The railroad's traffic (sales) department has less than four percent of Atlantic's employees. In a ballyhoo contest that turned all 13,000 employees—section hands, secretaries, accountants, engineers—into salesmen, it made 76,628 calls.

The significance here is not the sales increase, though the beleaguered railroads are hard put to come up with any winning formula for boosting sales.

Across the land, the rails, long as staid as the furnishings in a parlor car, are looking to the activities of ACL and wondering if the old line, "Not in our industry," still applies.

Cannonballing ACL, headquartered in Wilmington, N. C., says no. Earlier this year, it jolted the industry with a "Blueprint for Survival" campaign to gain public support for railroad legislation.

Behind these daring maneuvers at Coast Line is its new president, 45-year-old W. Thomas Rice, a former civil engineer who made his mark as president of the Richmond, Fredericksburg and Potomac before coming to ACL in mid-1957. A tall Virginian who makes knuckles crackle when he shakes hands and has even been known to fly, Rice was picked by the directors to succeed Champion McDowell Davis, an old-line individual-

ist who during his 64 years with the line painted diesels purple and agitated for increased I.C.C. control of transportation.

Rice threw this challenge to employees at the contest's kickoff meeting in Jacksonville, Fla., ACL's future headquarters:

The system can handle twice the traffic it now carries.

To meet the challenge (and compete for contest prizes), employees called on local citizens to promote passenger traffic, on shippers and marketers to sell freight traffic. Maintenance men made their calls after hours; secretaries and office staffers sent letters during the work day.

For each contact, employees filled out a coupon and turned it in to headquarters to compete in prize drawings.

Comments their contacts made were noted on coupons, enabling ACL men to meet prospects' objections:

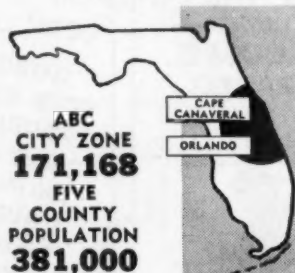
- A honey distributor told ACL he got better rates by truck; ACL switched his shipments to three-case lots to beat truck rates.

- Potential passengers were given schedules they didn't know existed.

- A clerk, picking up barbecue grills to be awarded as prizes, found they had been shipped by truck; he told the supplier train is faster.

In addition to making 76,628 impressions, employees got shippers to ask for 215 rubber stamps: "Ship Via Coast Line." ♦

Gateway to the MOON



100,000
DAILY CIRCULATION

Orlando Sentinel-Star
ASK BRANHAM



Orlando Retail Sales
to Nov. 1:
\$240,371,000

104 Pct. Greater
Than Fla. Avg.

149 Pct. Greater
Than National Avg.

From Sales Management

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VICE-PRESIDENT, SALES
Randy Brown

SALES PROMOTION MANAGER
Philip L. Patterson

Asst. to Vice-President, Sales
Cecelia Santoro

ADV. SERVICE MANAGER
Madeleine Singleton

PRODUCTION MANAGER
Virginia New

DIVISION SALES MANAGERS

New York—W. E. Dunsby, Wm. McClenaghan, Elliot Hague, Howard Terry, Robert B. Hicks, Dan Callanan, John A. Spooner, 630 Third Ave., New York 17, N. Y., YUkon 6-4800.

Chicago—C. E. Lovejoy, Jr., Western General Manager; W. J. Carmichael, Western Advertising Director; John W. Pearce, Western Sales Manager; Thomas S. Turner, 333 N. Michigan Ave., Chicago 1, Ill., State 2-1266; Office Mgr., Vera Lindberg.

Pacific Coast—Warwick S. Carpenter, 15 East de la Guerra, Santa Barbara, Calif., WOodland 2-3612; (space other than publication or broadcasting accounts), M. A. Kimball Co., 2550 Beverly Boulevard, Los Angeles 57, Cal., or 681 Market St., San Francisco 5, Cal.

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TODAY'S ADVERTISING

Policies • Trends • People

by Lawrence M. (Mike) Hughes

1½ Times

Long ago I learned from American Airlines and Boeing that the new 707 jet planes could make two coast-to-coast round trips daily. Later, American decided to settle, at the start at least, for one and a half.

This, said I to American, reminded me of the teacher who told her class about an early Roman who swam the Tiber seven times before breakfast. One of her young charges asked: "Why didn't he swim it eight times . . . and get back to the side where his clothes were?"

Steel

The new jets stir enthusiasm even in the breast of Association of American Railroads, which proclaims: "America's jet age rolls in on rails of steel."

But with four times the cargo capacity of prop planes, the big jets may not contribute "another example of railroad progress."

Metals

Meanwhile, U. S. Steel, becoming a merchandiser, introduces a new Steelmark tag on products "in stores everywhere."

Ex-monopolist Alcoa gains strength from strife: Merrill Lynch's Investor's Reader notes that Alcoa, under ex-salesman Frank L. Magee, has stepped up research and development budget to \$18 million (\$7 million more than all competitors together), and in 1959 will put a record \$10 million into advertising — with another TV network show and more Alcoa Wrap inserts in newspapers.

Advs.

When Society of Automotive Engineers conferred its current annual award on the German Volkswagen, our Big Three groaned . . . but continue to be SAE's main means of support.

Big Threes, by the way, aren't necessarily who they used to be. The Wall Street Journal notes that, while Camel is still No. 1, Lucky Strike has dipped to third (after American's own Pall Mall), and Chesterfield is now sixth.

Armour, decentralizing, gets local rates from newspapers. And other national advertisers hope the "differential" is really slipping . . . Ralston Purina reaches its target of five million tons a year of animal feed . . . One sales-expanding advertiser in 1958 was Owens-Corning Fiberglas — from \$163 to \$175 million. Having sought 200 builders in a "comfort-conditioned" home program, and come up with 525, O-C F is now shooting for 1,000.

15%?

A small agency owner writes: "Someday a big advertiser will try to upset the 15% system on the fact that he is forced to pay for agency service that he does not want . . ."

"Personally, I'm skeptical about this 'new' agency approach to 'total marketing.' GM or Ford don't ask their agencies how to sell cars. That's the factory's job. If the advertisers don't know it, they might as well close shop.

"On the other hand, small advertisers should pay much more than 15% for all the help we can give them."

Media

Good fare rates a second helping. On January 25 NBC will repeat Bob Hope's Russian telecast of last April, and on January 28 NBC (Chrysler sponsoring) will rerun the tape of "An Evening with Fred Astaire."

Critics (such as Ad Agent Emil Mogul) may call 50% of TV "dreadful" . . . But somehow Nielsen finds 1958 TV net shows' average audiences rising 5% nighttime and 7% during the day.

By actual LMH count, two-thirds of advertising in a January issue of a big consumer mag. was automotive: cars, gasoline, tires, etc. This, praise be, was a temporary imbalance . . . Studying 11 major markets, TvBureau notes motor car dealers "far out front of other retailers in use of local TV." Food stores are second, dept. stores third.

Advertisers must get groggy from inter-media sniping: Bureau of Advg. discovers, in Akron, "news-papers' advertising 'reach' much greater than TV's." . . . Without "taking advantage of a competitor because of an unfortunate strike," Blair companies, representing radio and TV stations, surveyed New Yorkers to make sure that they were aware of the news — minus newspapers.

More constructive are Mag. Ad Bureau's use of the booklet, "Recruiting New Talent for News Staffs," sponsored by Dow, Jones, and NBC Radio's outdoor bulletins in major markets to promote its "News on the Hour." . . . I was also impressed by a promotion piece of three rival school administration magazines on the "special values of advertising during summer months."

Fawcett Publications increased 1958 advg. by \$1,053,000 — and pictured its ad execs. shoveling that sum into a bank vault . . . DMAA adopts a code of ethics and standards of practice for rental and exchange of mailing lists . . . Katz Agency learns that national spot radio costs in 1958 rose 1½% in "traffic times" (early morning and late afternoon); were unchanged in other day periods, and declined 6.4% at night . . . RAB issues net estimates of spot radio expenditures for year 1958. First four users — totaling \$19.7 million — were General Motors, Ford, R. J. Reynolds and American Tobacco.



McCall's Use-Tested Program Expands

America's fastest-growing Informative Labeling Program moves into Supermarkets, Drug and Department Stores

"Use-Tested by McCall's"—these familiar buy-words appearing on a product at the point of sale tell millions of women shoppers that the product has been performance-tested and endorsed by the editors of McCall's.

Now this symbol of satisfaction, formerly limited to appliances, home furnishings and home equipment, will be seen more widely than ever before. Effective immediately, McCall's Use-Tested Program is being expanded to include practically all products sold in supermarkets, drug and department stores.

The Use-Tested Program, designed to meet the needs of modern, self-service marketing, is built upon the editorial authority

of McCall's. Through this program, McCall's editors and home economists provide the consumer with impartial, authoritative *buying* information, based on exhaustive laboratory and practical "use-tests".

This informative labeling by McCall's is designed to help consumers select and buy the right product for their needs, give manufacturers greater sales impact at the point of purchase and assist retail personnel in explaining individual product features.

The new expansion of the Use-Tested Program will enable many new products to gain further selling impetus through the authority and influence of McCall's. To learn how your product can be aided by this program, see your McCall's representative, or write: Use-Tested Program, McCall's, 230 Park Avenue, New York 17, N. Y.



• The Use-Tested symbol, above,
is a trade-mark of McCall's.

The magazine of Togetherness...
circulation now more than 5,300,000



More readers more advertising- THE TRIBUNE GETS 'EM IN CHICAGO!

The Tribune sells 900,000 copies daily, 1,275,000 on Sundays—over one and a half times the circulation of any other Chicago paper. It is read by more families in Chicago and suburbs than the top 5 national weekly magazines combined. More than 6 times as many Chicagoans turn its pages as turn on the average evening TV show! Advertisers spent over \$60,000,000 in the Tribune last

year—more than in all the other Chicago newspapers put together. Unmatched, also, is the Tribune's record of advertising results. It out-pulls other Chicago papers 3 to one, 4 to one, even 15 to one—evidence of a selling FORCE which is uniquely the Tribune's. And another reason why the Tribune will produce best for you in Chicago!

